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LATIN AMERICA REPORT

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DELAYED ITAIPU OPERATION CAUSES LOSS OF \$150 MILLION

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 28 May 83 p 24

[Text] Moacyr Teixeira, Itaipu financial director, predicted in Foz do Iguacu yesterday that the delay of 1 year in starting Itaipu operation will represent an expenditure this year of \$150 million in financial charges alone for the binational firm responsible for the hydroelectric facility. Moreover, the binational's president, General Costa Cavalcanti, revealed at a press conference that, due to the same delay, the company will fail to collect about \$200 million in energy sales that would otherwise be produced during the period.

Speaking during the morning to members of BRASILINVEST, whose governing board met in Foz do Iguacu yesterday, Costa Cavalcanti again asserted that the binational's foreign debt for building Itaipu (18 percent of the \$14 billion total investment estimated at the beginning of last year as the project's cost) was much less than the domestic debt, in that 77 percent of the funds are in Brazilian currency. Later, however, the company's financial director admitted that some of the money contributed by ELETROBRAS [Brazilian Electric Power Companies, Inc], which financed 49 percent of the project, may have been of foreign origin.

Moacyr Teixeira said further that an up-to-date estimate of Itaipu's cost cannot yet be announced due to the complications arising from recent devaluation of the two currencies in which such costs would be expressed--the Brazilian cruzeiro and the guarani of Paraguay, Brazil's partner in constructing Itaipu. The year's delay in beginning the plant's operation was explained by Moacyr Teixeira as due to three distinct factors: lack of money to finish the transmission line; declining energy consumption in Brazil; and the economic crisis in general.

Costa Cavalcanti, in turn, said that Itaipu will begin producing energy this year, with a generating unit producing current for Paraguay going into operation by October. Next year two other turbines will begin operating in 60 cycles (Brazilian current), with the nation's entire transmission system "finished in all certainty by April 1984."

8834
CSO: 3342/122

FUEL SAVINGS AT SANTIAGO REFINERY HAILED

Havana BOHEMIA in Spanish No 17, 29 Apr 83 p 34

[Article by Alberto Pozo]

[Text] A case to ponder. It turns out that the Hermanos Diaz Refinery of Santiago de Cuba saved no less than 11 percent in petroleum consumption in 1982, as compared to 1981. The plausibility of the achievement is not the end of the matter.

According to the plan, it is directed that the attained figure be improved by 2 percent in 1983. That is, it should operate in 1983 with a 13 percent reduction in petroleum allocation. But the matter will not stand there either. The workers of the Hermanos Diaz Refinery intend to save an additional 5 percent of petroleum in 1983. If we add up the total saving in consumption in 1983 and compare it to 1981, the difference is 18 percent. That is, every 100 tons consumed before is cut back to 82 tons.

The petroleum refinery of Santiago is one of the largest manufacturing plants in the country; therefore, it gets priority attention from the Ministry of Basic Industry and technically supported consumption indices.

It is inferred from this that what they have achieved is not easy. It is one more indication that while technique plays an important role in saving, man, the subjective factor, is decisive: he goes farther than technique no matter how sophisticated it is. In other words, technique can achieve very little without the good will of men. We wish to underscore this concept in the battle to save energy even in high level technical enterprises: Man and his good will.

But that is not all. Let us draw another conclusion: If a saving of 18 percent can be attained from 1981 to 1983 in a complex and technical plant like the Hermanos Diaz Refinery, even in a place where consumption indices are considered strict, what will it be like in the rest of the enterprises of the country?

Let us estimate that our petroleum imports are about 10 million tons. What does an 18 percent reduction represent? Nothing less than 1.8 million tons. And calculating on the low side that the price of the ton in the

world market is \$200, it would represent a saving of \$360 million to the country.

We are not going to be so naive as to believe that this will be accomplished in all the enterprises, and that the achievement at the Hermanos Diaz Refinery can be duplicated on a national scale. The Santiago refinery is the leader in saving because it has many of the requisites: the technological aspects, the fact that it is a vanguard collective with a will to achieve, and its standing.

But we can be aware of how much we can save, of the great difference between actual consumption at present and the national use we must give energy. It is an obvious indication that even though we have already curtailed the waste of energy, the ground we have to cover is very extensive. The Hermanos Diaz battalion has moved to the vanguard of the offensive. Let us all back it up!

8414
CSO: 3248/811

BARBADOS AWAITS TRINIDAD ACTION ON IMPORT LICENCES**Minister of Trade's Remarks**

Bridgetown THE NATION in English 11 May 83 p 1

[Article by Neville Martindale]

[Text]

THE Barbados Government would not hesitate to take reciprocal action against Trinidad if that country does not honour its agreement about the granting of import licences, reached at the mini-CARICOM summit held here over the last weekend.

This was made clear yesterday by Minister of Trade, Mr. Bernard St. John, to Barbadian manufacturers who had complained about the Trinidad licensing system that caused a crisis in the local manufacturing sector.

St. John was reporting to an emergency meeting of the Barbados Manufacturers' Association (BMA) at the old Yankee Garment Factory building, Grazettee Industrial Park, 95 minutes after the release of the official communique on the mini-CARICOM summit talks.

He said that the Barbados Cabinet had given the authority for the introduction of a licensing system; but it might not be necessary to put it into effect at the present moment.

St. John added: "We have the legal machinery in force, and the lawyers only have to identify the products that are on licence in Trinidad and Jamaica, and put them on schedule."

St. John believed that perhaps one of the best things that Barbados had done, was to demonstrate that it was possible to compete within the CARICOM area without having a licensing regime.

He indicated that he would be making a ministerial statement in the House of Assembly next Tuesday on the Barbados position with regard to regional trade following the talks between the CARICOM Heads of Government Conference.

The trade minister said that the Barbados non-resident Ambassador to Trinidad, Mr. Lonnie Taylor, would pay a visit to that country, as a result of the summit talks, as soon as he deemed it necessary.

St. John said that the Cabinet had decided to establish a permanent mission in Trinidad.

He added that they in the Ministry of Trade felt that subsequent action to be taken by relevant authorities in respect of the implementation of that Cabinet decision, should be regarded as activity which should be pursued with the utmost urgency.

St. John said that they had also been in touch with the Barbados honorary consul in Jamaica, Mr. Winston Bailey, yesterday morning.

Bailey is to report to the Barbados Government between today and tomorrow on the reaction by the Jamaica public and private

sectors on the Barbados decision to set up a mission in Trinidad.

"It is fairly clear to me also, that there were a lot of underlying sores festering in the minds of some people in CARICOM," St. John said.

"I hope that in future, anyone who has any problem at all in CARICOM, would be men and women enough to pick up their pen and write to the territories in which they have their problem."

St. John agreed that the issues which arose over the last weekend on trading relationships should dominate the CARICOM Heads of Government Conference in Trinidad in July.

He said that, whether they liked it or not, the impact of recession had begun to bite in Trinidad and other countries, and he called on all sectors to educate the people in the various territories about the dangers of protectionism.

Jamaica had decided, he said, to put exports from CARICOM territories outside their quota system.

St. John noted that if Barbados wanted to get products into Jamaica in competition with "third countries", Barbados had to be competitive in relation to prices, and terms of credit.

It appeared to him, said St. John, that the view had to be put to the Cabinet that the Jamaica market deserved particular attention at this time.

Even if they could not afford a representative along the lines as in Trinidad, they should have one at the representative level, he said.

BMA president, Mr. Henry Vieira, said about the outcome of the CARICOM talks:

"Up to last night, no licences had been issued by Trinidad.

"We have to wait this week, patiently, and expect that in all good faith, they will do their best to live up to the promises they made."

Barbados Team to Trinidad

Bridgetown THE NATION in English 11 May 83 p 1

[Text]

A BARBADOS Manufacturers' Association (BMA) mission left last night for talks with counterparts in Trinidad and Tobago today in Port-of-Spain, a spokesman for the BMA said yesterday.

The meeting will be a follow up to two days of ministerial discussions last weekend in Barbados which resulted in a general agreement that would end a four-month old regional impasse that had brought regional trading to a virtual standstill.

Mr. Henry Vieira, president of the BMA is leading the mission, which includes, immediate past president, Mr. Peter Miller; senior vice-

president, Mr. Basil Forbes; council member and head of the exporters group, Mr. Frank DaSilva as well as the BMA's public relations consultant, Mr. Ricardo Blackman.

The mission is due back home this afternoon.

Barbadian manufacturers are concerned about the need for an urgent resumption of trade with Trinidad and Tobago, their most important CARICOM market, especially for garments and furniture.

Last year, Barbados exported some \$79.6 million worth of goods to Trinidad, while importing \$118.4 million worth, leaving a balance of \$38.8 million in Trinidad's favour.

End to Currency Float

Bridgetown BARBADOS ADVOCATE in English 14 May 83 p 1

[Text]

The Barbados dollar will cease to float against the Jamaican currency on May 18, Central Bank Governor, Dr. Courtney

Blackman said yesterday.

The Central Bank chief was dealing with Barbados economic position.

for the first three months of this year.

He said this was one of the decisions arrived at during the recent mini-summit of Heads of Government and CARICOM officials who met in Barbados to iron out a number of difficulties which had greatly reduced intra-regional trade and put scores of Barbadians out of work temporarily.

Barbados had earlier this year floated its dollar against the Jamaican currency after Jamaica had established a two-tier currency system for imports into that country, thereby making Barbadian products more expensive and in effect reduced the quantum of Barbadian imports.

Dr. Blackman also said that Barbados had investigated some modifications to the CARICOM Multi-Lateral Clearing Facility (CMCF) which would make it difficult for credit to be built up as was the case in the past.

Trading under the CMCF has been suspended because the fund has reached its limit of BDS \$100 million, with Guyana owing Barbados

some BDS \$65 million.

Yesterday, Dr. Blackman said that the Fund could be re-opened if CMCF creditors paid money into the fund

or if a third party cleared some of the debt owed by any of the creditors.

He noted, however, that trade with Guyana was still being pursued but any money owed Guyana by Barbados was being deducted from that which Guyana had built up under the CMCF.

According to Dr. Blackman, "we have been getting back some money Guyana owed us under the Fund and we have been able to offset our position so far by about a half million dollars."

Stating that he could not be specific on the suggested modifications to the CMCF, the Central Bank Governor noted: "We have been victims of our own success, in that the Facility was not designed to cope with the rapid increase in trade which Barbados had built up over the last year."

He added that the Facility is however expected to restart in a couple of months.

Licensing Expectations

Bridgetown BARBADOS ADVOCATE in English 14 May 83 p 2

[Text]

Barbados manufacturers who last week complained that BDS\$22 million in Trinidad-bound goods had been held up by that country's new import licensing system, have said that they expect these products to be back on that market by next week.

Local manufacturers expect to be issued with import licences from Trinidad and Tobago this weekend according to Mr. Henry Vieira, President of the Barbados Manufacturers Association (BMA) which speaks for 145 companies.

Mr. Vieira, who headed a four-member mission to the twin-island republic last Wednesday, said they

were able to visit the deputy head of the Licensing Department and received an assurance that instructions had been given for putting the licensing regime agreed to by the Caribbean Community (CARICOM) heads into place.

"This should mean that we should be getting licences this week and that by next week Tuesday—seven days after the commencement of the issuance of licences, all licenses would be issued," Mr. Vieira said.

One of the planks of the agreement resolving a four-month old regional trade impasse here last weekend was that import licences for CARICOM goods would only be for monitoring

purposes and would be granted automatically within seven days of application.

Following Jamaica's January 10 introduction of a dual currency exchange system, Barbados floated its dollar against the Jamaican currency and Trinidad and Tobago as well as Antigua and Barbuda insisted on import licences for all CARICOM imports which had the net effect of bringing intra-regional trade to a virtual standstill.

The BMA head has however expressed concern that the new licensing system will place inordinate and additional pressure on the personnel and systems of the Licensing Department in Trinidad and Tobago.

"We hope that the necessary steps will be taken to ensure that licences are not held up by the lack of staff or other resources to process them as quickly as possible," he said.

"In other words, we hope that attention will be paid in the various countries that are using licences to beef up their resources in those departments so as to issue the licences in accordance with the agreement."

Following his emergency trip to Port-of-Spain, Mr. Vieira was optimistic about trade with Barbados' largest trading partner within the community returning to normal shortly.

However, he felt that it would be a long, hard grind for local manufacturers some of whom he said will have to ship goods before they can get money,

and materials for their factories.

"It will obviously take some time to build up our businesses to the levels at which they were prior to the end of March, because we have lost some ground which we took years to build up in the marketplace, which other competitors may have taken over," he said.

"So that our position with sales this year is going to be very, very difficult. It is going to require a lot of hard work and constant contact with our distributors to rebuilt it to the position it was in at the end of last year," he said.

Mr. Vieira said the BMA mission to Trinidad did not achieve as much as was expected since it failed to meet with counterparts in the Trinidad and Tobago Manufacturers Association (TTMA).

"They had very short notice," Mr. Vieira explained, "we had only called them the day before and they had other commitments. But I don't think there was anything underlying that."

The BMA and the Export Promotion Corporation will mount a joint mission to Jamaica next week. Between 16 and 20 local manufacturers are scheduled to go on the mission, which will show off such items as garments, food, building products, cook ware and watches.

Mr. Vieira said the four-day mission is to try as a matter of urgency to get local exports back on the Jamaica market where there has been very little business within the last four months.

Trinidad Inaction

Bridgetown BARBADOS ADVOCATE in English 18 May 83 p 1

[Text]

Manufacturers in Barbados are still in a "holding position" waiting for licences to ship goods to Trinidad and Tobago.

Some of the manufacturers contacted yesterday, said that they had not yet received any licences from the Trinidad and Tobago Government.

One large manufacturer said that he had more than Bd\$400 000 in goods waiting to be shipped to the twin-island state, "but I have not yet received any licence."

Another manufacturer said that he has some

\$50 000 in goods in Trinidad, and another \$20 000 in goods in Barbados, all for his Trinidad importers, "but we are still holding."

The manufacturers said that it is their understanding that the Trinidad authorities have hundreds of licences on their hands to be processed, and this has been taking quite some time.

The Barbadian manufacturers said that they are still hopeful that the situation would be rectified in the near future, "but in the meanwhile, we are

continuing to incur heavy losses daily, as we have to pay storage costs, and cannot ship any goods to Trinidad."

Following a recent meeting of Caricom heads of Government in Barbados earlier this month, the Trinidad authorities said that future licences would be granted automatically within seven days.

Said one manufacturer: "We know that there have been discussions, but now we want to see the action; we want the licences to get our products moving."

TEXT OF AGREEMENT REACHED AT CARICOM MEETING ON TRADE

Bridgetown BARBADOS ADVOCATE in English 11 May 83 p 2

[Text]

The Barbados Government yesterday officially announced the essentials of an agreement reached by last weekend's Caribbean Community emergency ministerial meeting on a trade crisis that had been threatening the regional integration movement.

Following is the full text of the statement from the Ministry of Trade and Industry:

"On Friday, May 6, and Saturday, May 7, 1983 heads of governments and officials of CARICOM countries met in Barbados to find solutions to the trade impasse which has affected these countries over the past four months.

"The talks held at the Dover Convention Centre under the chairmanship of the Prime Minister of Barbados, Mr. Tom Adams were attended by heads of government and delegations of Barbados, Dominica, Jamaica, St. Kitts-Nevis, (representing the organisation of East Caribbean States), St. Lucia and Trinidad and Tobago.

"The heads of government and delegations arrived at the following heads of agreement:

—(i) That import licences for CARICOM goods will only be used

for monitoring purposes; That where used, the licences will be granted automatically i.e. within seven days of application; That there will be strict adherence to the area origin criteria; and that there will be full reciprocity in the issuance of licences in those countries adhering to these conditions and that Jamaica will allow imports from CARICOM outside of quota and intends to provide for CARICOM imports in 1983 at a level not less than in 1982.

—(ii) In respect of goods where raw material inputs are purchased in Jamaica at the official rate, like goods should be imported into Jamaica from CARICOM countries at the official rate. The question of anomalies was raised by Jamaica and it was agreed that there should be consultation with trading partners in dealing with these. It was also agreed that they should be dealt with on a case by case basis in accordance with the CARICOM treaty. Official—essential transactions will be settled at the official rate.

—(iii) Except for official rate transactions already mentioned, a special CARICOM rate would be established by Jamaica. It will apply to all imports of raw materials used by Jamaican manufacturers for exports to

CARICOM. It will also apply to export proceeds of Jamaica manufacturers in the CARICOM market and to CARICOM imports into Jamaica.

—(iv) The special CARICOM rate in Jamaica will be J\$2.25 to one U.S. dollar. This rate will remain in force for six months at the end of which it will be subject to review. If there is any change in the exchange relationships in the region during this period the review would take place immediately.

—(v) Trade payments in respect of goods traded at the CARICOM rate will take place through the commercial banks in the usual manner. Settlements will be made at the CARICOM rate through the central banks and monetary authorities.

In the meantime, the Government of Barbados has taken the decision to establish a Resident High Commission in Port-of-Spain, which will provide assistance to Barbadian exporters to Trinidad and Tobago. Efforts are also being made to devise, in consultation with the appropriate representatives of the Government of Trinidad and Tobago, mechanisms for the smooth flow of Barbadian exports to Trinidad and Tobago (end of text). (CANA)

ANALYSIS OF CARICOM TRADE MEETING, TRINIDAD'S POSITION

Bridgetown BARBADOS ADVOCATE in English 18 May 83 p 4

[Article by Albert Brandford]

[Excerpts]

The 15-year-old Caribbean Free Trade Movement seems to have weathered its biggest crisis yet, setting at ease the minds of thousands of regional factory workers, whose jobs had been in jeopardy.

But it will be a while yet — if ever — before all Caribbean Community (CARICOM) Governments and their private sector businessmen are happy about the workings of the regional trading system.

One clear lesson coming out of the trauma in regional trade over the last four months is that the 12 mostly independent island-nations in CARICOM are heavily dependent on each other for the maintenance of industrial peace and financial security.

By CARICOM's own reckoning, about half of all the industrial sector jobs in the community could have been dislocated by a collapse in intra-regional trade.

Jamaica — the CARICOM member state which triggered the impasse when, without consulting its trading partners, it implemented new economic measures with far-reaching effects on the region — last year sold the area US\$82 million in goods.

That was a whopping 45 per cent of the island's non-traditional exports — most of them going to Trinidad and Tobago and Barbados — two of the three other so-called More Developed Countries (MDCs). Kingston therefore, had compelling reasons for wanting a settlement of the crisis that had brought intra-regional trade to a virtual halt.

But at last weekend's emergency CARICOM ministerial meeting here that produced the solution, Jamaica's Prime Minister Edward Seaga did not escape criticism from his colleagues for his January 10 unilateral decision to introduce a dual currency exchange rate.

The strongest strictures came from Trinidad and Tobago's Labour Minister Errol Mahabir, the senior of two ministers who attended in place of Prime Minister George Chambers.

Mahabir said at the end of two full days of tough, intense negotiations that : "The long and arduous hours which have been spent by ministers (and) officials should be a reminder to all of us of the need for consultation on all matters of regional importance and while we all have our own economic problems and understand the problems which led to the

situation in Jamaica as explained by their Prime Minister, we feel that in the future such developments that have taken place here and in the Caribbean over the last few months could be avoided if there is consultation as the CARICOM treaty contemplates."

"The exercise has enabled us to look at the trade aspects of the CARICOM agreement more carefully and we must accept and deal positively with the fact that there continue to be violations which affect us in several ways particularly as far as employment opportunities are concerned," Mr. Mahabir said.

The Trinidad minister added: "As far back as November in Ocho Rios, the Trinidad and Tobago delegation (to the last CARICOM heads of government summit) drew attention to a number of violations of the CARICOM treaty which were affecting the integrity of the CARICOM movement and we feel that we should not delude ourselves into believing that the developments arising out the establishment of the two-tiered system in Jamaica are the only problems which face trade in CARICOM today."

"We hope that emanating from this agreement here in Barbados will be a new commitment to adhere more closely to the rules of the CARICOM treaty and for us to work together for the development of the region and not to trade in such a way as to promote employment opportunities in countries which have no relevance to our situation here and which have no interest, really, in our welfare," he said.

Mahabir's comments at the weekend CARICOM mini summit here were echoed by St. Kitts-Nevis Premier Dr. Kennedy Simmonds, acting as spokesman for the seven-nation sub-regional grouping, the Organisation of East Caricom States (OECS).

"....We must recognise that now, and in the future, there will be situations in which conflicts will arise between what we perceive as our national interests and what are regional interests. I think in these situations it is also important for us to think of the dangers that may arise if CARICOM does not survive," he said.

Seaga seemed determined that mechanisms to strengthen the movement should go before the 10th anniversary CARICOM Heads of Government meeting scheduled for July in Port-Of-Spain.

What he sees as vital now is an examination of the movement to see whether it should continue to exist on the current scale "or whether it is not time for it to look for a broader view and have a larger vision in terms of making it more truly Caribbean, in terms of establishing relationships with other countries whose economies can therefore broaden the scope of CARICOM, give it more depth and give it more strength."

This was clearly a repeat of his oft stated view that the CARICOM market of five million people was too small to guarantee the viability of regional industry.

Seaga favours expanding CARICOM to non-English speaking states. Adding Haiti and the Dominican Republic for instance would immediately triple the market for CARICOM goods. Together these two Caribbean states have over 10 million people.

Chairman of the Barbados mini summit, host

Prime Minister Tom Adams too talked out the fragility of CARICOM, as demonstrated by the crippling effects of the impasse.

He said the very spirit of CARICOM had been threatened by "some of the measures which had been taken in the course of proposals and counter-proposals, activities and defensive activities by some members of CARICOM."

This was taken as a reference to Barbados' decision to float its dollar against the Jamaican currency after the introduction of the dual currency exchange system. This had led to Jamaica suspending trading in Barbados.

Subsequently, Trinidad and Tobago, followed by Antigua and Barbuda, perhaps the more prosperous of the so-called LDCs decided to set up licensing regimes for CARICOM imports and the net effect of all this has a serious dislocation of regional trade.

Barbados did not manage to get its CARICOM colleagues to dismantle altogether their various licensing regimes but got perhaps the next best thing: agreement that import licences would be used only for monitoring purposes.

It was decided in fact that where used, the licences would be granted automatically i.e. within seven days of application, that there will be strict adherence to the area origin criteria, and that there will be full reciprocity in the issuance of licences to those countries adhering to these conditions.

In addition, Jamaica agreed to allow imports from CARICOM outside of the quota it had set itself and to also provide for such imports in 1983 at a level not less than last year's.

In respect of goods where raw material inputs are purchased in Jamaica at the official rate, like goods should be imported into Jamaica from CARICOM countries at the official rate.

The question of anomalies was raised by Jamaica and it was agreed that there should be consultation with trading partners in dealing with these. It was also agreed that they should be dealt with on a case-by-case basis in accordance with the CARICOM treaty.

While there has been general agreement among the principal trading states in CARICOM on how to maintain a free flow of trade among them, a lot will depend on how effectively the mini summit accord is put into operation.

Since returning to Port of Spain for instance, Trinidad and Tobago's Labour Minister has set out what he sees as vital prerequisites for avoiding another regional foul-up.

— The certification mechanism must be significantly improved to ensure that goods which are imported by Caricom member countries meet the area origin criteria to guarantee them duty free treatment.

— Origin must be precisely determined in order to obviate false labelling in respect of imports from Third World country sources which are capable of underselling CARICOM producers.

— Steps must be taken to remove all barriers to trade in fresh agricultural products.

— Certification authorities must set out to exchange information in order to move toward the perfection of the current system.

Mr. Mahabir said the fact is that a number of discrepancies have been discovered by certification officers throughout the region, but as information is not exchanged on a structural basis, the "certification process" does not benefit from these discoveries.

In Jamaica, exporters are understandably looking forward to the return to "unencumbered trade" within the region. But have reservations about the country's ability to maintain for six months, its special CARICOM rate, in view of the continuing foreign exchange shortfalls being experienced there.

In addition, they are concerned about the quantum of trade the region can fund on a bilateral basis with the suspension of the US\$100 million CARICOM Multilateral Clearing Facility — a system which had allowed member states to defer payment for goods traded among them.

CSO: 3298/617

NEW CARICOM EXCHANGE RATE TAKES EFFECT 18 MAY

Bridgetown BARBADOS ADVOCATE in English 19 May 83 p 1

[Text]

KINGSTON, Jamaica, Wednesday, (CANA) — The new exchange rate of J\$2.25 for one American dollar to be applied to trade between Jamaica and its partners in the Caribbean Community (CARICOM) became effective today.

The Caricom exchange rate came out of a May 7 meeting of regional leaders to get community trade moving again after a four-month freeze, when a number of states introduced retaliatory measures to Jamaica's initial dual-exchange rate for its dollar that made regional imports more expensive here.

Under the system the Jamaican currency, as it still is, remained tied to the U.S. dollar at J\$1.78 for an American dollar. But this was applied only to "essential imports" and raw materials for export production.

Other imports including those from Jamaica's partners in the Caricom Free Trade Area were at

parallel market rates set daily by commercial banks, ranging from between J\$2.55 and J\$2.80 for a U.S. dollar.

With the compromise reached a fortnight ago raw materials bought by Jamaican manufacturers to be used in products to be sold in the community will be at the Caricom rate, at which exporters will also convert their earnings on receipt here.

The new exchange rate, under the agreement, will be in force for six months after which it will be reviewed.

The following were the exchange rate quoted by the Central Bank of Jamaica for other Caricom currencies in relation to the Jamaican dollar:

	Counter buying	Counter selling
Bds vs J dlrs	1.122187	1.127813
Bel vs J dlrs	1.122187	1.127813
EC vs J dlrs	0.831250	0.835417
Guy vs J dlrs	0.748125	0.751875
T.T. vs J dlrs	0.935156	0.939844

CSO: 3298/617

ALLEGED ARGENTINE RESPONSE TO POPE'S PROPOSAL PUBLISHED

Santiago ERCILLA in Spanish 25 May 83 pp 8-10

[Article by Andrea Orzegow: "Argentina and Mediation"]

[Text] A couple of weeks ago Argentine Minister of Foreign Relations Juan Aguirre Lanari emphasized the "absolutely clear and certain pacifist position" of his country. However, more than ever, the Argentine press has devoted itself to "hurling" news bombs, which instead of clarity provoke an ever-greater confusion with respect to mediation. Why? Because suddenly it states such sensitive things as "there is a climate of war" in the south; that the Pope has sent "secret emissaries" or that the Vatican has "modified its plan." Worse still, the source of these reports is not known. This is so much so that the Radical Civic Union (UCR)--among other Argentine parties--has expressed its desire to the Ministry of Foreign Relations of learning the true status of mediation "in view of the fact that there is no official information and the country has been informed by the dailies."

Thus it is that on 17 May the Buenos Aires morning paper LA PRENSA published something as surprising as the report that on 17 March 1981 Argentina had answered the Pope on his proposal. Including a wealth of details, Jesus Iglesias Rouco, well-known columnist of the daily, gave his readers the complete text of the alleged response. He was not refuted, although this does not mean it is true. However, in case it were true, it would not be a matter of an answer such as the one Chile gave, the former is filled with objections to the papal proposal and allegedly includes the following proposition, which has already been rejected by previous impartial rulings and by Argentine cartography itself: /"...and the reaffirmation of the natural border which runs from Cape Horn to the south 200 miles along its meridian, all of this for consolidating a retaining wall against the Chilean intentions of extending toward the Atlantic/ [in Italics]."

No treaty or decision has given Argentina those rights and certain spokesmen return tirelessly to something that is nothing more than a wish, which ignores the legal background of the case. Neither does Argentina keep its word because whether the reply to the Pope is true or not it is supposed that any result of the mediating process should be maintained a secret at the request of the Vatican itself.

Moreover, inaccuracy makes that poorly kept secret even more serious, since if it were to be true, why did the chief of the Argentine delegation, Ricardo Etcheverry, recently state that the proposal considers the two-ocean concept? If that were so, the neighboring country would have accepted the proposal by John Paul II a long time ago.

Only One Thing is Clear

In short, there is nothing concrete. Did the Vatican send one or several secret emissaries to Argentina or not? The Papal Nuncio's office in Buenos Aires has denied it. Is there a mobilization of troops on the southern border or not? Is it true that a group of Argentines requested permission to celebrate their national holiday on 25 May in the Beagle Islands? This is the new and dizzying wave of Argentine news. And there is the latest new development. Once more newsman Iglesias Rouco provided an "exclusive;" that the Vatican had proposed that Chile and Argentine sign a "perpetual peace" treaty, which would allow the mediating process to continue "for several years under the aegis of the Holy Father." What a revelation; to discover at this date that the mediation process pursues the establishment of a definitive agreement."

The problem resides in the fact that Argentina appears to have no principle on this matter and has not shown due respect to papal authority. It is true that the proposal by John Paul II is not binding, since it is not a matter of arbitration, but as the chief of the Chilean delegation in the mediation, Col Ernesto Videla, said recently, the Pope has a value which is even higher than justice in the international field "because there is an entire moral concept on which no one can doubt."

Argentina responds to the pope with an eternal dilatoriness. The latest delaying tactic of the military government in the process is that it wants to delegate the problem to the civilians who will take control of the country in 1984--and that is what it is going to do--and for their part, the politicians do not want to take responsibility for the controversy. Moreover, it has been learned, they fear that any agreement they may enter upon on the matter could be a reason for the military to retake power. On the other hand, although all the presidential hopefuls have insisted on a solution within the framework of a papal mediation, the majority advocate the nonexistent two-ocean principle of "Chile in the Pacific and Argentina in the Atlantic."

The position of the Argentine authorities in that respect appears inflexible and as a result makes an agreement difficult. The Argentines are so imbued with this concept that the daily LA RAZON of Buenos Aires published around the middle of May the opinion of the high military sources of that country who say that the papal proposal "could only be accepted with substantial modifications to safeguard the principles of sovereignty that Argentina has maintained/for more than a century/ [in italics]."

Attempts to Modify the "Inexorable"

Actually, since the 19th Century, Argentina has maintained the same position of contempt for the law. Before delving into this revealing history, it must be recalled in this respect that in 1977, after the decision by Her Britannic Majesty was made known in favor of Chile, the Argentines made the unusual criticism of our country "that it covered itself with the mantle of international law."

This Argentine criticism has a basis since they do not usually cover themselves with such a mantle. To make an appreciation of this, we must go back to 23 July 1881, date on which a boundary treaty which spoke of "inflexible boundaries" was signed for the first time in Buenos Aires and established the foundations clearly in its third article:

"A line will be traced in Tierra del Fuego, which beginning at the point called Cape Espiritu Santo at latitude 52 degrees 40 minutes will extend to the south, coinciding with Greenwich West Meridian 68 degrees 34 minutes until it reaches Beagle Channel. /Tierra del Fuego divided in this manner will be Chilean in the western part/ [in italics] and Argentine in the eastern part. As far as the islands are concerned, Isla de los Estados and the keys immediately next to it and the other islands there may be in the Atlantic east of Tierra del Fuego and the eastern coasts of Patagonia shall belong to Argentina /while all the islands south of the Beagle Channel to Cape Horn and those which may exist west of Tierra del Fuego shall belong to Chile/ [in italics].

This means that the Beagle runs in a straight line from east to west and its eastern end is between Cape San Pio and Isla Nueva. Therefore, the islands Navarino, Picton, Lennox and Nueva, which are south of the channel, are Chilean.

Argentina recognized this precept for only 13 years. In 1894, the Geographic Institute of that country established in its cartography that the Navarino and Lennox Islands were Chilean. A first legal disrespect, which true enough, was later corrected by the Argentines themselves.

But soon there came other Argentine attempts to change the 1881 Treaty. Talks went and came until both countries signed the General Arbitration Treaty in 1902, treaty which established that if controversies "of any nature" cannot be resolved by means of direct negotiations, they will be submitted to the arbitrative judgement of Her Britannic Majesty.

Claims for the Inexistent

Finally, in 1968, our country, tired of the Argentine claims, which violated the 1881 Treaty, decided to resort to British arbitration. Argentina was already claiming the three islands (Picton, Nueva and Lennox), not only Lennox. Almost 10 years later, 2 May 1977, the decision of Her British Majesty was made known. It was in favor of Chile.

The ERCILLA of that time published two significant Argentine opinions. One, that of a journalist on international affairs said: "The decision was no surprise for us. We knew it was going to be that way because those islands are Chilean, but it is also understandable that our government reacted as it has." That is, it recognized the just rights of Chile, but justified the erroneous Argentine behavior of the time. Elsewhere, the author of the 10-volume "Argentine History," Professor Jose Maria Rosa, declared at that time that "the decision surprised me and I do not consider it fair because the basis of all that is the Chilean-Argentine protocol of 1894 in which it was established in general lines that the Pacific is Chilean and the Atlantic is Argentine and Nueva Island is obviously in the Atlantic."

This last position is the one which explains the insistence of many of the neighboring authorities on the two-ocean principle. However, we must delve deeper: The 1894 protocol did nothing more than reaffirm the precepts of the 1881 Treaty and the phrase "Pacific-Atlantic," is nothing more than that, a mention which they have seized upon to claim, with an alleged legality, rights which do not belong to them. For the rest, if it were possible to make a delimitation of the two oceans, the only possible delimitation would be natural. That is the way Col (R) Manuel Hormazabal, geographical engineer and author of several essays on boundaries, reported to ERCILLA in 1977.

"Men of science of various countries of the world"--he related--"have proved that the limits between the Pacific and Atlantic Oceans are in the 'Antillan Arc' which is an extension of the submerged Andes Range. According to them, the difference between the two oceans has a relationship with the flora, fauna, temperature, salinity and other chemical background, whose difference is total when separated from the Antillan Arc..." Without any justification, Argentina has made mention of the meridian of Cape Horn as the separation of the two oceans, in circumstances that if there is some separation, it should be that of the Antillan Arc.

The fact is that Argentina makes claims according to an nonexistent principle and which, therefore, is not under discussion in any treaty. And if it were necessary to establish it, Chile--pursuant to the description by Hormazabal--would more than reconfirm its sovereignty over the Beagle Islands and would have even more maritime territory.

Returning to the legal history, the incredible happened: Argentina rejected the British decision, which was, of course, binding on both sides.

Later on it did not respect the spirit of peace with which the Puerto Montt Document was signed on 20 February 1978. Territorial violations, blackouts in Buenos Aires and provocative statements by some Argentine personalities placed both countries on a war footing at the end of that year.

Then came the signing of the Montevideo Agreement, which on 8 January 1979 named the pope as the mediator of the southern border dispute. The Argentine obstacles to the work of the Pontiff are well known: delays, lack of an answer (at least officially), rumors, and so forth.

Recent history is already known. If we must look at future history, it can be seen to be like the southern climate. The only thing which is very clear about the alleged reply to His Holiness--due to its reaffirmation of the Cape Horn meridian--is that our neighbors continue to travel outside international jurisprudence and nothing indicates they are going to modify a behavior which has already lasted a century.

8908
CSO: 3348/442

BRIEFS

CARICOM AGRICULTURAL TRADE--BRIDGETOWN, Sun., (AP)--CARIBBEAN Community (Caricom) members meeting here this weekend have agreed to support free trade of agricultural products within the region. A trade formula to implement the agreement will be worked out under the Agricultural Marketing Protocol at a follow-up meeting of regional Agricultural Ministers next week and submitted for approval to Caricom Heads of States at the July Summit in Trinidad-Tobago. Details of the proposed formula were not made public. "In the past there have been several reservations expressed relating even to the principle of free trade in relation to the movement of fresh agricultural produce in the region," said Barbados Agricultural Minister Johnny Cheltenham, who chaired the four-day meeting. "These reservations have been removed and we have agreed that the time has come to put the mechanisms in place," Mr. Cheltenham added. The Agricultural Ministers also agreed to reorganise the Caribbean Agricultural Research and Development Institute (CARDI), and give new direction at the Caribbean Food Corporation (CFC). Caricom Secretary General Kurleigh King said the Ministers appointed a new CARDI Chairman, but declined to name the person appointed. [Port-of-Spain TRINIDAD GUARDIAN in English 16 May 83 p 1]

CSO: 3298/618

BRIEFS

DROP IN CRUISE VISITS--ST. JOHNS, Antigua, Wednesday (CANA)--Fewer holiday-makers are coming to Antigua and Barbuda by boat, according to statistics released here today showing a January-April 1983 drop of 15 073 persons against arrivals for the first four months of last year. The number of cruise ships making stops here was also down by 31 in the first four months of this year, against 1982 calls, according to the figures from the Department of Tourism. The result, tourism officials said, was expected to be a sharp fall in earnings from the vital tourist industry. Seventy-five cruise ships called at the deep-water harbour between January and April last year, bringing 38 138 tourists. In comparison, only 44 cruise ships have called here between January and April 30 this year bringing 23 065 passengers. In April last year 10 cruise ships called at Antigua but last month the number dropped to five. From the start of this year, the Government placed a US\$1 tax on each cruise ship passenger landing at the deep-water harbour. The money will go towards promoting tourism in Antigua and Barbuda. [Bridgetown BARBADOS ADVOCATE in English 12 May 83 p 3]

CSO: 3298/633

POLL FAVORS FIGUEIREDO REELECTION, BRIZOLA IN DIRECT VOTE

Brasilia CORREIO BRAZILIENSE in Portuguese 21 May 83 p 3

[Article by Leonardo Mota Neto, political editor: "People Approve Reelection of Figueiredo, Poll Says"]

[Text] No less than 64 percent of Brazilians favor reelection for all offices; President Figueiredo retains the confidence of 63 percent of Brazilian men and 60 percent of the women; Governor Leonel Brizola would get the most votes in a direct election for president; and, in case of an indirect election, Minister Helio Beltrao has the greatest preference.

These are the findings of a poll in the hands of the government shown to President Figueiredo, after his arrival from Natal, by presidential aides. The poll, taken by a national opinion-survey firm, included Rio de Janeiro, Sao Paulo and the states of the North and Northeast, with interviews divided among men and women and among various income classes. It is significant to mention that the poll does not include opinions of Brazilians from the South or the Center-West.

The first choice of those interviewed, chosen from a list of "presidential possibilities" shown them by the pollsters, is former Social Security Minister Helio Beltrao, with 16 percent of the votes. The basic question was: "If the election were indirect, for whom would you vote?"--which was an artifice to stimulate the interviewee's imagination, as they are not voting for the presidential candidate of their choice but for delegates to the electoral college, as defined in specific legislation.

Beltrao leads, in order, Aureliano Chaves, with 15 percent, Mario Andreazza, with 12 percent, and Paulo Maluf, with 8 percent. Those with fewer votes were Antonio Carlos Magalhaes and Marco Maciel with 5 percent, Rubem Ludwig and Delio Jardim de Mattos with 2 percent and, in last place, Costa Cavalcanti with 1 percent. It is important to emphasize that this was a unilateral list prepared by the polling firm, and that the number of interviewees who did not vote for anyone on the list, 17 percent, is greater than those who voted for the top choice.

Brizola Wins

The results of the poll, which are still being analyzed by presidential aides, also confer victory on Governor Leonel Brizola in the item whose question was:

"If the election were direct, for whom would vote?" He obtained 23 percent of the votes, followed by Franco Montoro with 13 percent, Aureliano Chaves with 9 percent, Helio Beltrao with 7 percent--well-supported in both situations--Tancredo Neves, also with 7 percent, Janio Quadros with 5 percent, Paulo Maluf, Mario Andreazza, Antonio Carlos Magalhaes, Lula and Marco Maciel with 4 percent, Ulysses Guimaraes with 3 percent and Costa Cavalcanti again last with 1 percent.

Adding up all these votes shows the PDS [Social Democratic Party] with a total of 33 percent of those interviewed, while the opposition, divided among four parties--PMDB [Brazilian Democratic Mobilization Party], PDT [Democratic Labor Party], PT [Workers Party] and PTB [Brazilian Labor Party]--received a total of 54 percent. When the opposition vote is divided up, the PDS remains on top, beating the PMDB and the PDT--both with 23 percent--and the PTB and PT, both with 4 percent. This indicates that the government candidate would be in a favorable position if all the parties were to run separate candidates, splitting the opposition vote four ways.

It also happens that the outcome of this poll regarding a direct election shows the same results in the first five positions when subdivided according to income or sex. Beyond the fifth position, the standings become more scrambled, which indicates a high degree of monolithic opinion.

Confidence

In regard to confidence in the president, the poll reveals that, among men and women, 63 percent and 60 percent respectively have complete trust in the chief of state. Overall, 35 percent say they don't have confidence in him, while only 1.5 percent did not answer, indicating that there was no hesitation in answering this question: where Figueiredo is concerned, there is no middle ground.

According to income levels, those who trust the president the most are those who earn 5 to 16 times the minimum wage--another significant result--with 63 percent. This means that endorsement of the government is greater among those who receive higher salaries and who do not fill the ranks of the populist parties. Among those receiving less than 5 times the minimum wage, the portion with lower income, Figueiredo has the trust of 61 percent.

By region, Rio de Janeiro has the most trust, with 67 percent, and the North and Northeast come next, with 64 percent. Sao Paulo has much less confidence in the president: 55 percent.

A presidential aide who gave us the data of the poll does not consider it essential for the president in taking a position about his successor. "A poll is simply a straw in the wind, a sort of electrocardiogram for a patient; it is of value only for that instant." To support this idea, he mentions that only now are PDS names being talked about with greater urgency to obtain the support of party members in regard to the presidential succession.

"From that point of view, a poll such as this seems to be like a newspaper picture, which by tomorrow will already be old, without denying the analytical value of checking out the trends they reveal," the same aide said.

He did not fail to mention, however, that one of the questions referred to a very current topic--that of the president's reelection, through the Camargo Amendment. In this case, the number who support reelection for all offices is significant: 64 percent of the sample polled.

8834
CSO: 3342/122

COUNTRY SECTION

BRAZIL

FIRST QUARTER SHOWS TRADE DEFICIT WITH THREE ECONOMIC BLOCS

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 27 May 83 p 25

[Text] Rio de Janeiro--The trade deficit with the Middle East of \$1.052 billion during the first quarter is the largest Brazil has ever had in its trade relations with major economic blocs. Whereas imports were \$1.337 billion, exports were only \$284,683,000, according to data reported yesterday by the Foreign Trade Department (CACEX) of the Bank of Brazil.

The other deficits were with the Latin American Integration Association (ALADI), totaling \$100,484,000, and with the bloc called "other North American Countries," including Bermuda, Suriname, Netherlands Antilles and the Bahamas, among others, whose trade brought Brazil a \$27,941,000 deficit.

**Brazil's Trade Balance: Quarterly Balance, According to Economic Bloc
(Thousands of Dollars)**

<u>Economic Bloc</u>	<u>1983</u>	<u>1982</u>
ALADI (Latin American Integration Association)	- 100,484	- 138,266
CACM (Central America Common Market)	6,484	9,812
Other countries of Latin America (Haiti, Panama and Dominican Republic)	5,479	8,545
CARICOM (Caribbean Common Market)	7,720	14,056
Canada	35,214	254
United States (including Puerto Rico)	470,478	204,260
Other countries of North America	- 27,941	1,039
Eastern Europe	225,062	231,553
European Economic Community (EEC)	788,638	725,982
EFTA (European Free Trade Association)	10,274	- 50,095
Other countries of Western Europe	112,799	91,391
Asia (except Middle East)	192,059	201,997
Middle East	- 1,052,677	- 1,412,003
Africa (except Middle East)	58,517	55,557
Oceania	31,303	24,801

Source: CACEX

The three economic blocs with which Brazil had a negative trade balance during the first 3 months of the year include 39 countries, most of them (16) in the Middle East; 13 in North America; and 10 in the ALADI.

Surpluses

The positive balance with the 12 remaining economic blocs in the first quarter of this year reached \$1.944 billion, much greater than in the same period last year, when it was \$1.569 billion. But the surplus of some blocs was less than during the same period last year. The Caribbean Common Market (CARICOM), for instance, provided a surplus in the 1983 quarter of \$7,720,000, compared with \$14,560,000 in the 1982 quarter. The East European bloc provided a surplus of \$225,062,000 in 1983, compared with \$231,553,000 from January through March 1982.

Brazil's exports in the first quarter of the year totaled \$4.652 billion and imports were \$3.813 billion, with a surplus of \$839 million.

8834
CSO: 3342/122

UNE TO STEP UP CAMPAIGN FOR LEGALIZATION

Sao Paulo FOLHA DE SAO PAULO in Portuguese 19 May 83 p 18

[Text] The National Union of Students (UNE) intends to file by the end of July a request for legalization, to eliminate the main barrier to official recognition of the entity, banned since 1964. This was the major decision reached by the UNE's National Council of General Entities (CONEG), which met last weekend in Rio de Janeiro, with the attendance of representatives of 58 central directories (DCEs) and state unions of students (UEEs).

The entity's president, Clara Araujo, said in Sao Paulo yesterday that she is quite optimistic about the possibilities of legalization, because "the laws that permitted the UNE's registration to be taken away, such as decree-laws numbered 228 and 477 and the Suplicy Law, have been revoked." Furthermore, according to her, there is a favorable opinion from the Brazilian Bar Association (OAB) to that effect.

Clara Araujo added that the entity "was never legally dissolved, which was actually asked for in a court case, but as our registration had been revoked, the judge contended that he couldn't dissolve an entity that didn't exist." However, as pointed out by the FOLHA DE SAO PAULO, the UNE ceased functioning from 1973 until 1979, when the 31st Congress, called by the students themselves "the congress to reconstruct the UNE," was held, as the 30th Congress had been held secretly in 1971 in Minas Gerais.

Another reason for Clara Araujo's optimism is Rio de Janeiro Governor Leonel Brizola's promise, made at a meeting between the two on Monday, that the entity will be given a new headquarters on Catete Street belonging to the Rio de Janeiro State University (UERJ) Law School. It will be recalled that the former building, in Praia Vermelha, which housed the UNE headquarters from 1942 through 1964, was demolished in 1980 by order of the federal government.

The UNE president also hopes that by the end of July, when the National Council of Basic Entities (CNEB) will meet, studies should be concluded regarding re-writing the UNE statute, which is being revised by joint committees of lawyers and law students, such as Sergio Bermudes and Airton Soares. Once the new statute is hammered out, the UNE "will be able to file its petition for registration and, who knows, we shall be able to inaugurate, as planned, the new headquarters in September," Clara Araujo asserted, having been assured that Governor Brizola

had turned the question of the new headquarters over to the justice secretary, with whom the UNE president is to meet shortly.

In June the UNE will sponsor in Rio de Janeiro the "legalization show," with date and place not yet specified.

Another issue addressed at the last CONEG meeting was replenishment of official funds for public universities, "an issue on which there is consensus among students, school officials and even the education minister, all of whom admit that these universities may actually have to close if there is no replenishment," the UNE president asserted.

According to her, the Ministry of Education and Culture [MEC] has 11 billion cruzeiros considered as replenishment, whereas "the Parana Federal University alone needs 7 billion cruzeiros." The UNE president says "the least that the MEC should have as replenishment is 220 billion cruzeiros."

8834
CSO: 3342/122

STATE ARBITRATION LOOKS AT PRODUCTION, CONSUMPTION

Havana BOHEMIA in Spanish No 17, 29 Apr 83 p 34

[Text] The Saltine and Gofio provincial enterprise has brought suit against the Food Wholesale Enterprise of Havana City, alleging that it had been unable to sign the corresponding supplement of adjustment of the contract to the directed figures of 1982 because the defendant announced that it would accept only 420 tons of wheat gofio agreed upon as control figures, inasmuch as the allocated 750.2 tons were far above the population's demand according to the consumption results of 1981. That is, the allocated amount exceeded demand by 330 metric tons. The plaintiff acknowledges the arguments of the defendant, nevertheless it persists in its stand in order to defend the "interests" of the enterprise seeing that it would be to its detriment not to sell the "planned" production.

The following is established in a commentary appended to Edict No. 216/82: "In the present case, we consider that the complaining enterprise has acted without the basic figures to objectively infringe the economic laws of socialism..."

"One can refer to planned production, as the plaintiff does, but very poorly planned, therefore it should characterize socialist production as the opposite of what has resulted in this case."

"Production would be well planned if it met the demand of the consumers whenever possible as it cannot always be planned to meet all the demand."

"Moreover, our country is not a wheat producer, therefore we cannot squander such valuable commodities under any circumstances."

"What will happen to these 330 tons of wheat gofio that are not consumed and will thus remain in storage?"

"It should be stressed in this case: the importance of planning; the correlation between the plan and the demand for the products; the economic, political and social consequences of the violation of this principle; and the squandering of resources in light of the condition of our economy."

"Also, it is proper to apply with utmost urgency the dictates of the J-13 Decision of this State Arbitration Board in cases such as this."

In the conciliatory act, the defendant agreed to sign the contract for 750.2 tons of gofio to be allotted over four quarters. At a meeting held between the various interested parties, it was also agreed to make a study on gofio consumption for this year.

8414
CSO: 3248/811

QUALITY CONTROL IN CONSTRUCTION DESCRIBED

Havana BOHEMIA in Spanish No 17, 29 Apr 83 p 33

[Article by Samuel Urra]

[Text] "The battle for quality should not remain merely as a statement," Construction Minister Jose A. Lopez Moreno has said. "We must establish the planned control subsystems on the projects, the materials and the works. This task is closely linked to the whole effort concerning saving and efficiency," the aforementioned official, who is also a member of the Central Committee and vice president of the Council of Ministers, recently added in an address.

To what subsystems was the head of the MICONS [Ministry of Construction] referring? Let us say that they are an integrally conceived group of mechanisms forming part of a system.

The quality control subsystem in the construction of works is designed to be applied where the work force is organized in crews and an agreement type of pay is in effect. The methodology in question was put into effect on an experimental basis in 1981, and in the opinion of its main propounder, architect German Bode, director of the Quality Development Center, its use will make it possible to evaluate from work units to enterprises and even provinces, once it is fully applied.

With regard to the quality of the works, there is no doubt that serious problems persist. Not infrequently, we heard reports of leaks in one building or another. Although there have been no detachments, there is still much to be accomplished in the job of waterproofing roofs in order to finally be able to complete the various projects without the danger of having problems as soon as they are exposed to the first rains.

Quality problems still exist regarding the construction materials industry. There are serious failures in complying with the norms and the technological procedures in the production of prefabricated components, as well as in the construction of concrete pipes and other items. There has been much progress in expanding capacities in the production of aggregates, but the problems with the quality still persist. And the same applies to the projects.

The revolution has implemented a big construction program over the years to meet the growing needs of our people. It would be difficult to find a spot in the country where the construction work carried out in the last two decades is not evident. Schools, hospitals, roads, dams, dwellings, dairies, factories and many other projects have transformed our geography and our landscape.

Facts such as those we have stated were pointed out at the Fifth Congress of the Construction Trade Union. But, with that critical sense which should characterize revolutionaries, the main report to that meeting also underscored undeniable facts such as the following: "The gigantic effort of our people is affected by an aspect of such importance as the quality of the constructions."

Such a situation could be considered to be the responsibility of the administration, but constructions in Cuba are the property of the working people, hence this battle for quality is everybody's struggle. And this struggle will be undoubtedly won in order that the facilities that we build with so much effort will thoroughly fulfill their social function.

Besides affecting the esthetic quality of the constructions, the problems of the quality of the works reduce their useful lifespan and create additional maintenance expenses when in use--in sum, they conspire against our economy and the prestige of the "worthy men with the white hard hats." About this same aspect, architect German Boda, director of the MICONs Quality Development Center, has pointed out: "Deficient works, as you know, constitute a negative factor that has been strongly impinging on our productive endeavor and affecting the great effort that has been exerted in the field of construction over the years."

For his part, Construction Minister Jose A. Lopez Moreno has asserted: "We have to resolve the difficulties of the establishment of control and requirements about the problems of quality in 1983."

It is, therefore, an undeferrable battle which, as Fidel noted, can only be fought, fought and fought with the certainty that it will be finally won this year of the 30th anniversary of the assault on the Moncada Barracks, when we must provide definite and concrete answers to the proposals of the Sixth Plenum of the Party Central Committee.

8414
CSO: 3248/811

REPORTAGE ON DEATHS OF SALVADORAN LEADERS**Anaya Montes Assassination**

Havana BOHEMIA in Spanish No 15, 15 Apr 83 p 56

[Text] Hundreds of residents of Havana gathered at the headquarters of the Farabundo Marti National Liberation Front (FMLN) to denounce the abominable assassination of Melida Anaya Montes (Commander Ana Maria), leader of the Salvadoran people. The huge ceremony was preceded by a citizens' parade who signed their names in the condolence book, placed in the FMLN office located between 21 and 23 on 26th street. "Unquestionably, the loss of Ana Maria," Andres Martinez, an FMLN representative said on closing the ceremony, "signifies an irreparable loss for our people, but at the same time our people, because of her tremendously heroic acts and decision to fight on, will know how to turn this shock into a defeat for imperialism and its puppets." Martinez alerted the progressive and revolutionary forces of the world concerning the enemy's acts of vandalism which has among its aims the demoralization and destruction of revolutionary forces in their country and in Central America in an attempt to slow down the just process of liberation which advances triumphantly. The speaker said that shamelessness, sadism and criminal acts, which characterized imperialism and its puppets, were well known, but that revolutionaries will not allow themselves to be frightened nor deceived. Representing ICAP (Cuban Institute of Friendship with Peoples), Guillen Zalaya, vice president of the institution which emphasized Ana Maria's revolutionary combat orientation, symbol of the Salvadoran woman, and who has been added to the long list of fallen martyrs in the fight for liberation of its people, spoke saying , "The cowardly assassination of Melida Anaya Montes proves the desperation of the most reactionary elements in Washington faced with the continuous successes of the FMLN."

The emotional buildup of repudiation was lead by Melba Hernandez, secretary general of AALAPSO (Afro-Asian Latin American People's Solidarity Organization) and Clementina Serra, vice president of the Cuban Peace Movement and Sovereignty of Peoples, and officials from the America Department of the Party's Central Committee.

Marcial Suicide

Havana BOHEMIA in Spanish No 17, 28 Apr 83 p 64

[Text] The Nicaraguan minister of interior announced the middle of last week that Salvador Cayetano Carpio (Marcial), commander-in-chief of the Salvadoran People's Liberation Forces, took his life in Managua, dismayed over the treachery of a militant in the organization. According to a report by that organization, Carpio decided to end his life soon after learning that Rogelio A. Bazzaglia Recinos, a member of the central command of the FPL (People's Liberation Forces), had been the intellectual perpetrator and organizer of the assassination of Melida Anaya Montes (Ana Maria), the second in command of the FPL.

Proof presented to Marcial by the Nicaraguan authorities, who carried out the investigation of the abominable crime committed against Ana Maria, show that Bazzaglia Recinos, a member of the central Command of the organization, and Salvadorans Walter Ernesto Elias, Andres Bazquez Molina and Julio A. Soza Orellana, the latter ones being the actual assassins, took part in it. Along with them, Alejandro Romero Romero and Maria Argueta Hernandez, accomplices who let the killer group into the house where Ana Maria was, were arrested. According to the report from the Ministry of Interior, development of events and investigations indicate that these facts are the result of enemy actions characteristic of the CIA.

The Unified Revolutionary Directorate of FMLN, profoundly moved by Cayetano Carpio's death, stated in a news release that "storing up all our strength, we accept the consequences resulting from the investigation of the assassination of Commander Ana Maria, which finds us closing ranks and which constitutes an adhesive element that guarantees our solidarity and determination to struggle on." In the final paragraphs of the document, after expressing the sorrow that these times bring about for revolutionaries, it states: "we will remain steadfast in the struggle and that nothing nor anyone will be able to stop the revolutionary advance of our people." Those who think we are going to weaken faced with these painful circumstances are mistaken; on the contrary, our revolutionary zeal grows and our unity is strengthened."

9908
CSO: 3248/810

UNIONS MARK MAY DAY; UNIFICATION OF MOVEMENT URGED

Report on Activities 1 May

Roseau THE NEW CHRONICLE in English 7 May 83 p 1

[Text]

Trade Union leaders here have called for a United Trade Union Movement to better defend workers interests. This plea was contained in addresses and messages as Trade Unions observed May Day 1983.

Civil Service Association General Secretary Charles Savarin said this year's Workers Day should become a beginning for Trade Union unity which is a prerequisite for success in the ongoing struggle for social justice and development."

Richard Charles of the Dominica Farmers Union described the divisions existing among trade unions as an obstacle to worker development and called for resolute action against this division to protect the interests of the workers.

Disunity among the Trade Unions was reflected in each of the Unions organising separate activities for observance of May Day.

The Dominica Amalgamated Workers Union observed the day with a

church service at the Thibaud Chapel. Members from all over the island attended the service which was followed by a parade to the Thibaud Government School. A rounders match between teams of members from the North and the South and a fair completed the day. The Waterfront and Allied Workers Union held a church service at the Roseau Cathedral while National Workers Union General Secretary Josephine Dublin addressed members in a radio message.

In his May Day message the CSA General Secretary said notwithstanding the tremendous efforts at national recovery following the hurricanes. Dominica's economy was in recession, unemployment continues to be high and the great majority of our people continue to survive at subsistence levels. He blamed the declining value of the Pound sterling and its effects on the returns from the Banana Industry as the main contributor to Dominica's economic plight. The reduction of in the purchasing power of the rural population he added, had tremendous effect in the non-agricultural sector.

Editorial Support

Roseau THE NEW CHRONICLE in English 14 May 83 p 4

[Editorial]

[Text]

The many-voiced May Day call by Trade Unions for a higher level body - a Trade Union Congress - needs with overdue urgency to be taken seriously by the unions. Needless to say, many current leaders see the role of such a body as the very limited one of 'better to defend the rights of the workers.'

Such a need is, indeed, important but should only be part of the role of such a body.

More importantly, such a body will provide a forum in which the rights of the worker will be seen better and more clearly in the whole context of national development. Trade Union leaders could now become better equipped, through the exchanging of ideas among themselves in such a forum, to suggest new and better methods and activities which could now oblige employers, even the reluctant ones, to meet the wage demands - and needs - of their workers.

Such a body will also find itself doing a job presently undone: spurring the near-anachronistic viewpoint of some hidebound leaders into the progressive thinking so vitally necessary in a micro-small independent country which, because of its size, is always bound to remain a price-acceptor, never a price-setter. This must be matched, using the same metaphor, by a reining in of any union leaders with the equally anachronistic thinking of feeling that a wage claim need have no relationship at all to the economic facts of life in general or the financial viability of the business in particular.

Because strikes and lockouts make the headlines and are more newsworthy they get the headlines and make their appearance in the mass media whenever they occur. Hardly ever does the quiet and responsible work of a Trade Union Council Secretariat get anything like equal publicity. Yet the record of achievement of this is there.

So employers and their representing organization should become enlightened enough, where they are not already so, to join their voices to every call for such a Congress.

And such a Congress has another role to play. Constitutional reform is in the making. The called-for congress should, as one of its priority tasks, be engaging, of course, in the study of the existing constitution to ensure the maintenance and, indeed improvement where possible of the rights of its and, indeed, all workers. But it must also rise above such a limited role for itself. For every worker is not only a producer with all the rights - and obligations - of this. For he or she as well, even though everything conspires to ensure that he or she will never see himself as a consumer of the production of his fellow workers in Dominica, in the region and worldwide. So he or she is, or may be adversely affected, by every provision of the new constitution which is finally adopted.

And this notion must bring each leader, in or outside the Trade Union Movement, to understand that his or her decisions and recommendations must be made in an increasingly enlightened milieu, one will give consideration and due weight to many things other than

his or her immediate and even his regrettably selfish and self-serving ends.

In fact, it is to be hoped that Trade Union leaders will work for an even higher overviewing and standing body (in which they will be one of five sectors) which will help ensure that all constitutional measures, especially amendments, get the thorough going-over that such measures ought to receive before they are incorporated into that important document always for every nation.

CSO: 3298/624

COUNTRY SECTION

DOMINICA

DETAILS OF LABOUR PARTIES' MERGER, LEADERSHIP REPORTED

Action on Leadership

Roseau THE NEW CHRONICLE in English 14 May 83 p 1

[Text]

Labour Day, May 2, a Convention of the Democratic and Dominica Labour Parties had been held in Londonderry for the purpose of unifying these two organisations.

One resolution dissolving the two Labour Parties to be replaced by the Labour Party was adopted.

Another resolution had mandated 15-man Steering Committee to act as the Executive until another Convention of the Labour Party, to be called within 60 days with the leadership unresolved.

Patrick John leader of the former Dominica Labour Party and Oliver Seraphin former leader of the Democratic Labour Party had subsequently met in closed session to look for a simpler method choosing a leader. Patrick John decided to step down and to give his support to

Oliver Seraphin as new leader of the Labour Movement.

This decision was ratified at a meeting of the Standing Committees which comprised all 15 members in a resolution moved by Felix Thomas and seconded by Patrick John. Lennard Pappy Baptiste one of the contestants for the leadership signed in support.

Portsmouth Representative Michael Douglas was discounted by both Seraphin and John who saw their Labour Party as the better representative body for Labourites. Douglas had expelled himself from the new party by his expulsion from Seraphin's Democratic Labour Party and his denial of membership of the Dominica Labour Party as well, they argued.

Election Aims

Bridgetown BARBADOS ADVOCATE in English 11 May 83 p 3

[Text]

ROSEAU Dominica Tuesday (CANA) — The Opposition Dominica Labour Party (DLP) said yesterday that it was prepared to form a coalition Government with the "progressive organisation" on the island if it fails to win an overwhelming vote of confidence from the population during the next general elections, constitutionally due in 1985.

Oliver Seraphin, a former Prime Minister and now DLP leader, said during a news conference yesterday that every possibility aimed at removing the ruling Dominica Freedom Party (DFP) from office would be examined by his party.

The DLP is a recent merger of Mr. Seraphin's Democratic Labour Party (DEMLAB) and the Democratic Labour Party (DLP) of another ex-Prime Minister, Patrick John.

"We have decided firmly and irrevocably to support any candidate who is obviously ahead in any given constituency against any Freedom Party candidate," he said, adding: "In so far as the coalition arrangement is concerned, that will depend on discussions with the progressive organisations."

Seraphin was named leader of the DLP after the two other persons in contention for the leadership of the party — John and Lennard Baptiste — withdrew from the race. Mr. Seraphin announced yesterday that John had been made his deputy.

Mr. Seraphin said that his party was aware of alleged plans by the ruling party to call a snap election due, he claimed, mainly to fighting within the opposition parties.

Mr. Seraphin said that his party if elected to office would review Dominica's foreign and domestic policies and spoke of possible ties with Libya the country which has been criticized by the present administration for granting scholarships to Dominicans through a left-wing party here.

Said Mr. Seraphin: "We would like to become more positive at the United Nations...and we would be re-adjusting to places like Libya."

He said that his party hoped to hold discussions with political groups in St. Lucia, Jamaica and Grenada on the issue of Caribbean security.

Critical Comment on Leaders

Roseau THE NEW CHRONICLE in English 7 May 83 p 4

[From "Points to Ponder" by Pragmatist]

[Text]

I had rather anticipated that, the Labour Party stalwarts who gathered at Londonderry on May Day would have a little difficulty choosing a leader. It is not easy for someone who has experienced the "highs" of supreme power to give it up easily. Especially when such power has been used and abused as can usually happen in a small, poor developing country.

Both Patrick John of the Dominica Labour Party and Oliver Seraphin of the Democratic Labour Party are distinguished in history only by the smell of corruption that seemed everywhere to surround their various administrations. In the case

of the former, he was summarily hauled out of office within four years of holding office as Prime Minister. In the case of the latter he was totally rejected by the electorate in less than a year of holding the top post.

The question is sometimes legitimately asked that if these allegations of corruption are true, why is it that neither of these two ostensible public leaders have ever found themselves before the courts on precisely these charges. There are several explanations for this.

The main one is the fact that in many cases, many clearly corrupt decisions taken by those in authority

are within the legal authority of such leaders to take. If a Minister authorizes payment of \$200,000 for electrical wire that is known to have a market value of around \$40,000, he is still within his legal right. When a Minister decides to allow himself a duty-free concession for a \$6,000 television - as no less a person than Michael Douglas admitted him self - he is well within his legal rights.

Another reason why corruption in government often goes uncorrected is because there is much opportunity to arrange kickbacks in overseas accounts. Almost all Ministers have regular dealings with external agencies and overseas-based supply organizations so that there is much scope to keep the self-aggrandisement transactions outside of the country. The well known secret Swiss Bank accounts have traditionally thrived on the deposits of all powerful dictators.

But perhaps the real reason why there have been no corruption trials in Dominica is an obvious reluctance by the present government to get involved in witch-hunts and what:

would appear to be political persecutions. This would not encourage unity in the country and would only serve to distract the people from the great task of nation-building that lies ahead. This attitude of the present government is clearly demonstrated in the half-hearted manner in which government responded to pressure from its supporters to prosecute corrupt officials, after leaving the matter to persons in the A-G's office who had close ties with the former Attorney General. The Government go-slow policy is also proven in the failure to actively follow-up and prosecute officials in the then External Trade Bureau and the then Housing Corporation where there was much documented evidence of corruption.

The result of the above policy is that Patrick John and Oliver Seraphin are still able to appeal to the Labour masses for the chance to lead them once again. It is most regrettable. The labouring classes deserve better. On another occasion we will examine some potential leaders who offer a more honest and a more capable approach in guiding the workers of Dominica.

CSO: 3298/624

BRIEFS

AIRPORT REHABILITATION--A rehabilitation programme, with a \$200,000 first stage cost, has begun in Melville Hall Airport. First stage will extend the river wall to reduce the risk of the kind of flooding which made the parking area unusable last year. It will also pay for improvements to the kitchen and bar, the control tower and lounge used by VIP visitors as well as a general repainting and decoration job. Another contract will cover fencing of the area and paving of the whole car park area. [Roseau THE NEW CHRONICLE in English 7 May 83 p 3]

CSO: 3298/624

CONDITIONS LEADING TO ECONOMIC CRISIS ANALYZED

Guayaquil VISTAZO in Spanish 6 May 83 pp 22-24

[Article by Alejandro Carrion]

[Excerpts] The Era of the Dictatorship

The dictatorship provided the delights and the power resulting from the oil boom, and it also provided the first fright, a surprising development which occurred in 1976, which we must note here as the beginning of the race toward the chasm at the bottom of which we believe we are now, although Francisco Sweet says that it may well be that the well into which we have sunk is a bottomless one. Oil sales suffered a drop in 1976, and the government income derived therefrom declined by \$565 million. For the first time we were surprised to hear that something which, while swimming in oil, we thought never would come about for us, had happened: we had a budget deficit.

The dictatorship got around this with facility, and no one recalled this curious detail any longer. On the one hand, the return to democratic life was announced, making the country delirious with enthusiasm and politics. On the other hand, a magician--Cesar Robalino, whom we also later saw active in the midst of the "force for change"--pointed the way: foreign indebtedness to cover the deficit. A most eloquent man, he stated it fearlessly: "We will pursue a policy of aggressive indebtedness." This policy was later continued, without any hesitation. Indebtedness has been reaching totals monitored by no one, concerned as everyone is with the struggle for power: \$681 million in 1977, \$1,173,000,000 in 1978, \$645 million in 1979.

The Happy Return of Democracy

The happy return of democracy, the beautiful speeches by President Roldos, Vice President Hurtado's development plan, the force for change giving the fatherland new vigor, thousands of new faces. Meanwhile, indebtedness has reached \$2,146,000,000, but no one is paying attention. The Chamber of Representatives, drunk on democracy, is collaborating with the force for change: it is increasing wages and reducing working hours. Its budget commission has approved a plan showing a deficit of 15 billion sucres. Long live the new men! Rivers of eloquence spout from the lips of President Roldos, and we are navigating in them.

And so we proceed. In 1981, we approved a budget of 45,300,000,000 sures, without adequate financing, while political promises are inflating the bureaucratic apparatus by 153 percent. These are days of glory. We are multiplying the international congresses to which delegates come to admire the glory of this little Venezuela, rich as can be. We create international bodies to oversee other governments and force them to respect human rights; we open the doors to political emigration and we use "technology" at high salaries; we gather together all the leaders of the opposition in America and supply them generously. We are the El Dorado of democracy. And since money is lacking, we have recourse to foreign indebtedness. We obtain loans easily, and no one concerns himself about the interest or the time period.

Paquisha, A Fleeting Boom and Further Indebtedness

Then the war between Iran and Iraq broke out. These brave Islamic peoples began to kill each other for the greater glory of Muhammad. A partial and temporary paralysis of the oil trade in the Persian Gulf caused a rise in the world price of crude oil, and the day came when we were selling at \$46 per barrel. At the height of this lovely life, the Paquisha incident struck us like a bucket of cold water. This sad event was promoted into an "international war" for subsequent use to justify the crisis which, blind though they were, the government leaders saw coming.

We do not know how much was spent on Paquisha. We were not told nor will we be. These secrets are very carefully kept. We do know that weapons and food supplies were purchased. We do know what the government gained with Paquisha --the price of gasoline went up and subsidies were eliminated. Thus the state benefitted by 6 billion sures. This was the black year, 1981, when the foreign indebtedness reached its greatest extreme, despite the fact that the income from sales of crude oil totaled \$1,560,000,000, and the export balance reached a total of \$2,541,000,000. Nonetheless, the country went into an additional \$817 million worth of debt.

First Talk of Austerity

In May of 1982, within a dramatic context and with an excellent speech, Dr Hurtado assumed power, and announced that a state of economic crisis had been reached and that austerity was being launched. He gave us hair-raising news: exports had declined by \$400 million in comparison to 1981, the monetary reserve had declined by \$280 million, and the unfortunate intervention by the Central Bank on the free foreign exchange market had played a large part in this tragedy.

It was presumed that this situation would lead us to a lower budget. But no. We have been surprised by a budget which exceeds that for the preceding year by 55,800,000,000 sures. The president has approved a multiple foreign exchange system and it became clear that he who spoke of devaluation was engaging in base opposition. The measure failed, and exports continued to drop. The free market dollar began its race toward the clouds, leading to a foreign exchange differential never previously imagined, and inflation makes us contemplate how difficult it is to live with the force for change, now headed by the popular democrats.

Debt Renegotiation, Higher Income and Another Giant Budget

In October, the government recognized the need to renegotiate its foreign debt, along with or parallel to the private foreign debt. A program was launched within which the subsidies for fuels and wheat are radically eliminated and the Chamber of Representatives has approved tax laws imposing new taxes on beer, cigarettes and selective consumption items representing new income equal to some 800,000,000 sures for the state, while imports totaling \$600 million have been prohibited. However, the government is submitting a proposed 1983 budget 25 percent higher than that for 1982. The budget is increased from 55,300,000,000 to 64,300,000,000 sures. These budgets are characterized by the constant reduction of investments and the increase in current expenditures. In 1982, current expenditures were set at 64 percent and investments at only 36 percent of the budget. For 1983, the current expenditures allocation amounts to 75 percent and that for investments only 25 percent. Anyone studying these facts in the future will be unable to understand what happened.

More Income To Wipe Out the Deficit

The dominant trend in the government policy can be very clearly seen. It seeks constantly to obtain new income in order to finance the fiscal debt. And it is for this reason that the Chamber of Representatives does not sponsor a proposal designed to reduce public expenditures, but rather a law creating new income to cover current expenditures. In March of 1983, after creating the greatest expectations in memory, the main effect of which was to stampede the dollar on the free market to speculation levels never seen before, with the concomitant increase in prices, a new devaluation was decreed, to which was added the process of daily minidevaluations. The renegotiation of the debt is constantly being announced, and there is talk of major requirements on the part of creditors and the International Monetary Fund, but it remains clear that the government has not provided its share of the self-control and sacrifice asked of the country.

The fiscal deficit increased between 1979 and 1982 by 1200 percent, i.e., from 1,700,000,000 sures to a figure 13 times as much--23 billion sures. Along with this, the foreign indebtedness increased by 118 percent in the same period. In 1979 we owed a total of \$2,146,000,000, while by 1982 this total had increased to \$4,681,000,000.

Summarizing the Trends

Between 1972 and 1979, national production increased, with oil exports, by 9.2 percent per year, and from 1979 to 1982, it dropped steadily to the alarming figure of only 1.5 percent increase.

On the other hand, current state income increased in a most unusual fashion from 1972 to 1979 (advent of democracy), at an average annual rate of 23.8 percent, reaching 26.9 percent by the end of the period, despite the drop in production noted in these years. "The country had resources which increased at rates three times as fast as the gross domestic product," according to the

CEDATOS [Ecuadorean Data Company], and in saying "country," it is in reality saying "state."

The inclination to engage in greater expenditures than the income would justify is also clear. Beginning in 1980 (in the midst of democracy), income increased at a rate of 26.9 percent while expenditures increased at a rate of 39.6 percent. This meant the budget was not being financed and if we compare current expenditures with investments, the expenditures, necessary but not a source of wealth, increased, while investments, which do generate income, did not exceed the modest remaining 30 percent.

The greater part of the budget has been allocated for the payment of wages and services and the purchase of supplies and furnishings: an average of 26.6 percent. And, since 1980, a quarter of the budget total has been allocated for this purpose.

Conspicuous within this form of spending is the enthusiasm shown for government officials' trips abroad, where it is presumed they are carrying out most important missions. Figures have now been published which allow us to say that since democracy began to imbue our atmosphere, the government has spent \$40 million, or give or take a billion sucres per month, on the trips its officials have made abroad.

Conclusion

This minor history of our crisis, based on two important surveys, that carried out by our colleague Gloria de Carbo and that published by the CEDATOS, allows us to state that if indeed the world crisis has affected us, the reader will be committing no injustice at all if he decides that everything possible has been done by the government here to aggravate its impact. And if indeed the dictatorship began this gallop toward the abyss, our progress has become even more rapid and irresponsible since, full of illusions, we achieved democracy.

5157

CSO: 3348/416

FADI, MPD STRUGGLE FOR POPULAR SUPPORT VIEWED

Guayaquil VISTAZO in Spanish 6 May 83 p 10

[Text] The parties of the left as such, what are called the extremist parties, are struggling for survival. They include the FADI [Broad Front of the Left] and the MPD [Democratic People's Movement]. Above all the former, which has now come under a sentence of extinction from which it can be rescued by a judgment upheld by the supreme court when it interprets the legal norm for the survival of the parties subjected to the electoral test.

The FADI wanted to take up the banner of popular claims, and thus to consolidate itself, channeling protest against economic regulations by means of the most recent FUT [Sole Workers Front] strike, but this was a total failure, so that the results were counterproductive. This was because the people had such an impression that this strike, cautiously delayed until these regulations were accepted by the people, and announced for a fixed time, was nothing but the product of a carefully studied agreement with the government in which both parties would obtain dividends. The FADI would demonstrate its determination to defend the people, while the government would reduce the harshness of the popular protests against the measures adopted.

But other factors intervened, including the labor bodies which do not follow the dictates of the FUT, private enterprise, which also ordered its activities paralyzed during the days of strike, and the government itself, which, giving the administration a short holiday, joined in the protest at a given moment--an incredible attitude.

Then the FADI turned to another maneuver: the seizure of the Honduran Embassy in Quito. It was taken over, it is true, with admirable courtesy, and it was given back even more politely, so much so that the Honduran diplomats, on returning to their headquarters, voiced their fervent gratitude to the invaders.

Again, failure. The attitude adopted did not merit even a single photograph in the national press, and only a very short report by the international agencies.

But it did show something very significant, sad to say for the FADI: the people of Ecuador do not favor terrorism, kidnapping or the seizure of embassies.

RECENT DEMOCRATIZATION CRITICIZED BY FDR LEADER

San Salvador EL TIEMPO in Spanish 10 May 83 p 10

[Interview with Engineer Eduardo Calles, FDR [Revolutionary Democratic Front] leader, by Carlo Romero Villeda; date and place not given]

[Text] [Question] What is the FDR assessment of the national political situation following the March elections? It has been said on the international level that the March elections dealt a massive international publicity blow on behalf of the U.S. government. How has the FDR viewed, or how does it view the elections, and what is its analysis of this event?

[Answer] A moment came when priority began to be given to the military struggle in El Salvador, and our people began to advance in this field. They have so far continued, with very significant successes which even augur triumph by this means, involving, naturally, all of the risk this entails, with the direct intervention of the U.S. in regionalizing the conflict in El Salvador, etc. But as I say, the advances in this direction are of great significance. However, since the middle of 1981 we have begun to work toward a political solution to the crisis in El Salvador, as has been recognized by democratic governments and democratic forces in the world, and this has had many important expressions. This plan is opposed by the government of the United States, along with the reactionary forces in El Salvador. They denied that this is possible and mounted their own political maneuver, taking the form of election of a constituent assembly. However, what they want in the final analysis is to legitimize the Christian democratic regime and the model the U.S. government is urging. We made important statements during this period, setting forth what we have since confirmed: elections were not the solution to the crisis in El Salvador. Elections are a democratic phenomenon, which naturally demand truly democratic conditions, while at this time any form of democratic expression in El Salvador was totally denied, due to the state of emergency, the curfew, harsh and extensive repression, repressive decrees, denial of freedoms to the workers movement in the country, the large number of political prisoners, etc. We made it clear from that time that we were not opposed to elections as such, as a democratic method, but we did oppose this cunning process in which the repressive, the governmental forces, the group in power, manipulated all of the elements and tools in order to influence the elections. It was said at that time that the FDR and the forces making it up, the opposition, could participate if they wanted. Of course, this was nothing but a demagogic maneuver. To say that participating is possible when the minimal conditions do not exist for doing

so is a vulgar maneuver, simply talk for talk's sake. There were no conditions which would allow free political play in El Salvador, nor could they be established through an electoral process. As a result, we could not participate in a process of this nature. We have maintained that prior to any electoral process, it is necessary to create the minimal conditions making it possible to guarantee that a process of this nature will reflect the will of the people. At that time it was not possible to do this, and we could not do otherwise but point out in advance that this would lead nowhere. There were some other very important statements by international political forces and some governments which expressed views of this sort, including at the United Nations. However, the government of the United States and the forces in power in El Salvador continued with their plans for increasing military activity and a real war situation in El Salvador. They mounted the elections, which were in fact very cleverly maneuvered by the United States and the forces in power. We must admit that initially they caused confusion on the international level. They were manipulated along various lines. First, the public demonstrations concerning the voting, or we might say the attention paid by the people to the call to elections. We admit that there were people who in fact voted in some significant fashion, but it is necessary to analyze the conditions under which these people went to vote. There was a forceful campaign to exert pressure so that people would go to the polls. Each citizen's identification papers, what is called the Personal Identity Document, which each individual must carry and which the repressive forces can demand at any time, was marked, and naturally, those whose documents showed that they had not voted were condemned to death. This was a constant insinuation. The official propaganda made the people believe that failure to vote meant agreement with the guerrilla force. On the other hand, there were also people who voted in the expectation of a possibility of peace, since the Christian democrats in El Salvador had said that if they won the elections they would sponsor a process of dialogue. Even some of the statements by U.S. government officials pointed in this direction. "First elections, and then we see a further possibility of dialogue." This was most insistently suggested and there were people who went to vote because they were tired of war and hopeful of a positive, political, negotiated settlement. But even this was very skillfully manipulated. There were few polling places, few points of access to the voting sites, and an inflexible and very slow process, such that the lines of people did not advance speedily. Thus at any given moment, it was possible to find long lines of people waiting to vote. It is true that there was a response to the appeal to vote, a will to go to the polls, but it was absolutely not true that there were a large number of places where even in peaceful times one could vote. And yet there was an effort to point to the massive voting turnout.

The results of the elections show the world that our assertions were true. The elections meant the full rise of right-wing forces to power. The fascist ARENA movement was legitimized and the Christian democrats were forced out by means of a coalition of right-wing forces. And what the U.S. government wanted (the solution to the crisis in El Salvador through the elections) was a real failure.

There was initially a great time of confusion, but after the failure was clear, the government of the United States became stubborn and worked very hard to rebuild the model. It devoted great effort to recovery of the space occupied by the Christian democrats and promoting a so-called centrist movement in El Salvador to isolate the right-wing forces. The truth is that there is no real possibility of isolating the ultra-right wing, the fascist forces, because a war situation is unfavorable for both parties. It means a risk, given the military presence of the FMLN [Farabundo Marti National Liberation Front] and the political presence of the Revolutionary Democratic Alliance.

[Question] What does what the government has called "democratization of the country," developing in close connection with the recent formation of a democratic center, mean? What does this mean for the consolidation of the regime, and for the FDR? Will it not perhaps deprive it of space and relegate it to the level of a force entirely outside the process?

[Answer] This entire effort, all of these maneuvers must be viewed from two vantage points: first, the need the U.S. government feels to consolidate a model acceptable on the domestic level and on the international level, a government in which the right-wing forces do not have the belligerence which characterizes them now, or have it to a less acute degree, and secondly, the need within the imperialist scheme of aggression to oppose our political programs, our proposal for dialogue. The government of the United States and the reactionary forces within the country have come up against what we might call a serious proposal which has had a great impact on an international level, and they need to provide a political response to this peaceful program, since they have already said "no," using as arguments a series of baseless reasons. In order to stabilize the model, the "Apaneca Pact" was developed, but concerning it, wherein the right-wing forces in dispute reached some compromises, the need also arises for expressions of a political nature which will improve the image of this regime and which will oppose our political struggle. This is the reason for the need for the process of democratization, presidential elections in 1984, improvement in the field of human rights and more profound reforms, as necessary conditions for the consolidation of this model of government and opposition to our political struggle. All these efforts encounter serious problems because of the level of contradictions contained within them. Currently there are serious governmental efforts to reform the peace commission, to seek pacification in El Salvador, but they have not met with success. At a still very recent date, they succeeded in establishing the so-called Human Rights Commission in El Salvador, in which, showing contempt for and mockery of the people of El Salvador, the director general of the national police is included. Reforms are not advancing. On the contrary, there are constant attempts to force a regression. In other words there are no indications in the direction of progress, but on the contrary, despite the agreements, there are indications of a backward movement, and talk of denationalizing those banks which were financed by foreign capital, which would come down to a new sellout to the financial oligarchy.

The most recent manifestation, perhaps an important one, occurred when President Magana, Minister of Foreign Affairs Chavez Mena and the others who accompanied them were in Costa Rica, in connection with the visit paid there by President Reagan. They said they were making political advances, that reforms were being consolidated, that there had even been military advances, something everyone knows is not true. They informed Reagan that within this context of "progress," the 1984 elections were being planned, and that in addition, a new electoral law would be promulgated and a new Central Elections Council had been established. They said that there was no point in talking with the "guerrilla fighters," and thus they continued stubbornly to deny the possibility of a political solution, achieved through dialogue, to the crisis in our country. And this despite all of the difficulties they are having even in the political realm, because their presumed democratization is not making progress anywhere. It was in this period, moreover, in the month of October 1982, that our FDR comrades who were working precisely to promote peace in El Salvador, to encourage dialogue and contact with various sectors, were arrested. In addition, they continued to arrest a large number of trade unionists, students and professional people. There is an important fact about this period. After the supposed governmental commission on human rights was created, Msgr Rivera y Damas says, there was substantial increase in the number of individuals who disappeared or were kidnapped, and that within the framework of what they claim to describe as democratization, advances in ensuring respect for human rights, more profound reforms and progress toward elections. Here again there are serious contradictions, because all the right-wing parties are trying to win the largest portion of bureaucratic power within the government, in order to guarantee their triumph in the elections. The level of contradictions existing within their immediate real interests prevents them from being able to carry out this famous proposed democratization set forth in the Apaneca Pact with even moderate success.

[Question] What are the prospects for reactivation of the masses, given the present situation in El Salvador? What concrete plans does the FDR have for such reactivation, or will it be postponed totally until a better situation exists in the future?

[Answer] It is not being postponed and the reactivation of the masses within the interior of the country is really beginning to have its own expression now. The masses are motivated by the same will for struggle as the Salvadorean workers, the productive sectors of the country, in view of the crisis which is growing ever deeper. The people are publicly rebelling again and beginning to express their dissatisfaction with the regime, and they are joining in the development of the popular insurgent movement in El Salvador. The recent offensive, in October of 1982, which has continued to the present time, has aroused the spirit of the Salvadorean people again. A very important thing as well with regard to the war is that, first of all, the regime cannot deny it, nor can it conceal the fact that it is of great magnitude, since it has now spread to the entire population. It is no longer a distant thing for the people of San Salvador, which is the heart of the most important political activity. It is now a phenomenon which is felt and known that there is a war and that it is continuing to progress and develop in

favor of the insurgent forces throughout the country. Another important fact is that the incursions into the large cities are ever more frequent and much more effective. The war is beginning to reach the large cities and the people are beginning to perceive that there is in fact a war and that a people's army is present as a national movement, and this has aroused the popular spirit. We have had reports from foreign journalists who have told us that when they question the people about their views on the FMLN, the answer is another question: "Where do you come from?" When the people learn that they are talking to foreign journalists, they speak with great freedom and objectivity. In other words, the people now dare to voice opinions of the sort which they previously completely denied. But the reactivation of the masses as such is beginning to be seen in indications much more important than this. It is of course a simple indication, unscientific in nature, but it does indeed have its importance, because there have also been strikes and periodic expressions in the press, when this has been allowed, which shows that the people are active and are working to win a better life.

5157
CSO: 3248/827

U.S. POLICY, NATION'S SELF-DETERMINATION CONSIDERED

San Salvador EL TIEMPO in Spanish 10 May 83 p 5

[Editorial]

[Text] In El Salvador American assistance has been increased as it is confronted with keeping up the war and with the "survival" of the "National Unity" government, through massive military and economic aid which the Reagan administration has granted our country. However, domestic and foreign political observers have pointed out that such assistance means one thing: "total dependence of our country on the U.S. government." By the same token, the U.S. government threatened cutoff of military aid if human rights in our country did not improve.

In the light of these considerations, it must be noted that President Reagan's statements have been classified by liberal U.S. congressmen and senators "hypocritical" and "deceitful," indicating that the U.S. was giving priority to a military solution and relegating to a much lower level all those international initiatives supporting a negotiated solution to the Salvadoran crisis.

Another view which cannot be ignored on this subject is the viewpoint of the U.S. press, specifically when it has questioned the government's foreign policy; thus, the "Washington Post," through Rosenfeld, wonders: "Why not try, in El Salvador, to settle the civil war and serve (U.S.) government security interests by defining the terms of a just and forceful settlement so that it might be concluded?" For Rosenfeld, the terms of such a settlement could be:

1. A ceasefire for cooling things off;
2. Amnesty for all, regardless of the horrible things they may have done.
3. Equality of legitimacy and access for all political and politico-military groups;
4. Welcome to all invited observers, guarantors of peace and mediators."

Within this view, the important thing consists in the fact that at least two essential criteria exist, which are:

- a) Respect for the basic principle of Salvadoran self-determination, on which both Carter and Reagan have based their policies toward El Salvador, and
- b) That such self-determination promises in practice to be a real alternative so that the war may be brought to an end.

In his recent message before the U.S. Congress, Reagan maintained that they would uphold democracy, reforms and human liberty by using mechanisms of assistance, persuasion and legitimate influence for promoting democratic systems where they already exist and helping countries moving toward achieving that objective. However, it is not enough to proclaim democracy and crown it with theories and reforms if the dialogue does not take place within multilateral channels through which the arms race and arms shipments are halted; non-intervention into internal affairs along with the real experience of democratic institutions within each country in the Central American area as well as movement toward elections, imply a threat so that political institutions including the radical left will bring about a halt to the fighting and an end to destruction and total disregard for man's fundamental rights. And yet the political credibility of the Salvadoran people must be taken into account inasmuch as the various political options may at this time have very low guages, and the opening of the dialogue in the foreseeable future should not end up as a simple illusion.

Building democracy is not simple "verbosity" nor a "fruitless" effort on the part of the people nor "fertile ground" for personal interests and aspirations. The political monsterblanketing the territory and with the population factor of the country having its "Achilles heel," the U.S.A., the USSR, the government of "National Unity," FDR-FMLN, ARENA, FDC, MERECEN, PAISA, AD, ECO, and so many other that for the time being they show their faces only to criticize or avoid a compromise which might solve national problems.

Building democracy does not necessarily imply a violent revolution, but in this social format, the defense and consolidation of the democratic system has to date already produced an enormous amount of foreign indebtedness, violation of human rights, economic stagnation and unemployment, and uncertainty in the future of the country. In short, defense of the democratic system is everyone's responsibility and any action to the contrary is either cowardice or simple acceptance of the status quo.

9436
CSO: 3248/824

U.S. CONGRESS CRITICIZED FOR STAND ON AID

San Salvador DIARIO LATINO in Spanish 12 May 83 pp 3, 15

[Excerpt] San Salvador, 12 May (AP)--High officials of the national government have given a cool reception to the news that the Foreign Relations Committee of the House of Representatives of the U.S. Congress has proposed linking the continuation of military aid assistance to El Salvador on unconditional negotiations with the leftist rebels.

Antonio Morales Ehrlich, leader of the political opposition to the government, stated that this involves "a case of excessive meddling by the U.S." The Christian-Democrat politician added that "the U.S. Congress wishes to exercise remote control over El Salvador at inappropriate moments.

By a vote of 36 to 1, the House committee yesterday approved an aid "package" to El Salvador which stipulates that the aid will cease if the Salvadoran Government does not hold unconditional talks with the guerrillas.

The Defense Ministry, which is opposed to such talks, and the Catholic Church of El Salvador which advocates them enthusiastically, declined to comment on the step taken by the U.S. Congressional committee. But Francisco Jose Guerrero, spokesman for the nation's president, Alvaro Magana, rejected the measure.

"We have nothing to avenge, nothing to repress and nothing to negotiate. The only way to hold a dialogue in a democracy is through elections," he said.

Guerrero said that if the rebels really want to share political power, they must present candidates at the presidential elections scheduled for December.

The Salvadoran rebels, along with Mexico and a group of Latin American nations, have been urging that talks be held so as to bring an end to the civil war which has been dragging on for three-and-a-half years.

Both President Magana and President Ronald Reagan have refused to negotiate, emphasizing that such contacts would give the rebels a seat in the Government of El Salvador which they refused to seek through participation in free elections.

The leftists boycotted the elections to form the Constituent Assembly of 60 members in March 1982, charging that they were "a farce orchestrated by the United States." They said that any candidate whom they might present would run the risk of being murdered by rightist death squads with ties to the military.

"I do not believe that the leftists have any intention of holding a dialogue," said Morales Ehrlich. "Congress may have good intentions, but this will probably be exploited by members of the right to provide a further example of U.S. imperialism."

9436
CSO: 3248/824

IVA ANNOUNCED, DRAWS NEGATIVE CRITICISM**Set At Ten Percent**

Guatemala City PRENSA LIBRE in Spanish 11 May 83 p 2

[Text] "The Value Added Tax (IVA) rate will definitely be 10 percent. There will be no modification," said the minister of finance, Dr Leonardo Figueroa Villate, yesterday.

The official was interviewed by journalists as he left the office of President Rios Montt at the national palace. He spoke about the way all matters related to the implementation of the IVA will be publicized.

"The rate will not be modified, because even the corresponding bills are already revised and completed, and will be sent to the General Secretariat of the Presidency for final revision."

He made it clear that the meeting he had had with President Rios Montt was to plan publicity, information and working plans to ensure widespread familiarity with the tax reforms and fiscal policy.

CACIF Does Not Say What It Wants

Recently the CACIF [Coordinating Committee of Agricultural, Commercial, Industrial and Financial Associations] stated that the extension of the IVA will cause problems for the country. Minister Figueroa, in response, indicated that the CACIF has not said what it does not like about the tax.

"The tax reform package will provide incentives for national production and will not cause problems as the gentlemen of the CACIF claim."

Cotton Problem

In another part of his statement, the finance minister asserted that as a strong incentive to the country's cotton sector, his office had set the price of a quintal of seeds at 8.20 quetzals.

"In addition," he emphasized, "other incentives consist of the elimination of export stamps, a 50-percent cut in export taxes, and some other measures that will provide a real stimulus."

PR Requests More Information

Guatemala City PRENSA LIBRE in Spanish 11 May 83 p 2

[Text] "The fact that everything related to the Value Added Tax (IVA) is being handled by the government with too much secrecy makes it appear to the people like a kind of detonating device that could blow up at any time," said Manuel Angel Ponce Valdez, secretary general of the Revolutionary Party (PR), to PRENSA LIBRE yesterday.

According to Ponce Valdez, the government should publicize through all possible channels all aspects of the IVA, and should not deal with it in such a confidential manner.

"As for its applications," he went on, "I believe that this may not be the most opportune time, given the economic recession in this country, but if the government believes that it must be implemented, it should explain it fully so that the people can learn about it.

"I feel that the sector that will be most heavily penalized by the application of this tax," he added, "is the middle class, upper as well as lower; the business sector will always find some way of passing it on to the consumer, due to the very nature of any indirect tax.

"As for the lower class, it may not be directly affected, but it will suffer an indirect impact, although no benefit is derived from the tax," he concluded.

MLN Considers IVA Failure

Guatemala City PRENSA LIBRE in Spanish 11 May 83 pp 2, 36

[Text] "The Value Added Tax (IVA) has been a complete and utter failure in countries where buying power is higher than ours, and for this reason the National Liberation Movement (MLN) expresses its repudiation for the current government's decision to establish such a tax," says a communique released by the public relations department of that party.

"At a recent meeting held by Mexican expert Alberto Rincon," it adds, "he indicated that the IVA in his country yielded results only at the beginning. But the professional did not acknowledge the high rate of inflation his country is experiencing now, nor did he note that it was the "home basket" that suffered the most, forcing families to pay the consequences of that disastrous economic experiment.

"In Guatemala the IVA will be more than harmful. The poor cannot get any poorer, or the rich any richer, so the middle class will once again have to pay the price of the economic irresponsibility of the current regime. This is

because in the present era of recession it is worse than inappropriate to levy taxes that weigh directly on the consumer. Once more, we insist on offering non-demagogic solutions to alleviate this increasingly alarming crisis."

Balance of Payments

In the area of the balance of payments, they propose that exports be streamlined, eliminating any kind of tax or bureaucratic obstacle that might stand in the way. Financing for the exportation of non-traditional products should be stimulated, and orderly trade with any country in the world should be encouraged.

In addition, efficient and appropriate financial mechanisms should be created to facilitate and stimulate exports. Effective laws must be written to promote exports, new markets for Guatemalan products must be sought, free and parallel foreign exchange markets must be legalized so that non-essential imports can be obtained at feasible exchange rates. Effective tariff protection should be provided for Guatemalan industry in order to guarantee the domestic market.

Furthermore, strong commercial ties should be pursued with countries similar to ours. New financial mechanisms should be utilized to return capital and attract foreign investment, as well as to establish authorized money exchange offices in order to obtain the dollars injected by the United States in neighboring Central American countries in anticipation of a war.

Fiscal Area

The MLN also proposes that non-productive public spending be cut as much as possible, and that fiscal revenues be channeled toward the stimulation of domestic demand through small and simple infrastructure projects that would stimulate national production. It advocates the elimination of export taxes and the facilitation of income tax collections. Any fiscal enterprise that is not an individual person should pay an exclusive tax of 20 percent.

Autonomous and semi-autonomous entities that do not serve the interests of national development and promotion should be turned over to the private sector, and fiscal decentralization should be initiated.

Banking and Finance

In this area the MLN proposes the liberation of the banking and financial sector, with an emphasis on protecting agriculture and construction. It advocates the promotion of legislation designed to create an international financial center, and states that only interest rates on financing for small farmers, industrialists, artisans and economical rural housing should be controlled. It contends that trusts should be emphasized, and that the country's banking laws should be reformed in order to achieve an effective policy for the promotion of production.

8926

CSO: 3248/842

CHRONICLE EXAMINES THIRD WORLD, ECONOMIC, LABOR ISSUES

Look at Social, Economic Ills

Georgetown SUNDAY CHRONICLE in English 1 May 83 pp 6-7

[Article by Ken Danns]

[Text]

THE Guyanese society is heading down a path of chaos if not also disaster. The economy is in shambles and the state sector is virtually bankrupt. Corruption is as normal as the air we breathe. Crime, the callous disregard for human life and upswings in a multiplicity of social problems like prostitution, homosexuality, alcoholism, drug addiction, mental illness, infidelity and divorce are alarming danger signals.

People are tense, uptight and aggressive. They are seemingly obeying the laws of the jungle — survival of the fittest and dog eat dog. Husbands abuse their wives, wives snap at their husbands and their children insult them both. Something is morbidly wrong with this society and the behaviour of its peoples and their leaders are sure indicators.

The time has come for serious, objective and selfless assessment and appraisal of the crises of our existence. Workable solutions must be found.

and real quick before the Guyanese people trigger themselves into an explosion before things get out of hand. The problems that plague the Guyanese society cannot be solved as simply as some people are prone to imagine. The funniest and perhaps most superstitious assessment of the Guyanese situation I have been hearing is that the 1763 Monument and the allegations of idolatry surrounding it is to be blamed. It is said that as Cuffy's statue went up the economy and the spirits of the Guyanese people went down. The solution is a simple one it is argued. Take down the 1763 Monument and everything is going to be alright.

Apart from this Cuffy clique — other sections of the Guyanese population identify socialism and efforts to achieve a socialist society as being the principal problem. The socialist experiment they argue, has stifled individual initiative and frustrated the private

sector.

Socialism in the Guyanese context it is contended, represents the distribution of poverty and not the distribution of wealth since very little is being produced.

Nationalization is seen by elements of this persuasion as killing the goose that laid the golden egg. To halt the deepening impoverishment of the society the solution would be to embrace a capitalist path of development.

Another position popular among opposition political parties and dissident groups holds that the ruling P.N.C. and its leadership are to be blamed for the ills of the society. The P.N.C. Government it is contended, has mismanaged the economy, advocated unfortunate policies and is, in general, corrupt. The solution is to remove the P.N.C. Government from office and everything is going to be all right for Guyana. A variant solution to this persuasion is for the setting up of a National

Front Government consisting of an alliance of all the political parties, and everything is going to be all right.

The latter political solution has notably received the support of the Guyana Council of Churches, which is supposedly involved with little success in efforts at bringing about all-parties talks.

For its part the P.N.C. Government has contended that the blame for what's happening in Guyana should not be placed at its door. The Government identifies the poor prices received for exports which are the mainstay of the economy; non-co-operation of opposition groups in the task of development; an indifferent attitude towards production by the nation's workers; the machinations of imperialist forces and the Venezuelan threat which inhibits investment in the interior; the skyrocketing prices that must be paid for commodities not produced in Guyana, in particular fuel and capital goods; and the inadequacy of aid afforded Third World countries like Guyana.

The solutions to Guyana's problems the Government seems to be implying are evident in the problems. The solutions: The creation of a New World Economic Order which would benefit Third World nations; the discovery and exploitation of oil in marketable quantities; the successful completion of the Upper Mazaruni Hydro-electric project; the launching of an agricultural drive which would not only make the nation self-sufficient in food but produce enough to make Guyana the breadbasket of the Caribbean; a pursued

of a strategy of national self-reliance which would result in the progressive phasing out of commodities which can be or are produced in Guyana.

There is also of course the fatalist position that all is lost and nothing can be done to save Guyana. The solution is simple: Pack up and leave while you can.

The fact of the matter is that none of the problems identified and none of the solutions proposed have resulted in any sign of a turnaround of the fortunes of the nation. Some of the problems identified are not really important or relevant and none of the solutions proposed have so far been effectively implemented.

Let's face it. There is no simple answer nor magical solution to Guyana's problems. Whether the P.N.C. Government remains in office, or if a National Front Government is installed or some other political alternative there will still be monumental problems to be dealt with. The need for a studied and accurate appraisal of Guyana's problems and a selfless approach to solving them, must be reiterated.

Perhaps an important beginning to any approach to grappling with our problems is to examine the institutions and structures which have been set up or transformed to deal with the problems of modernisation, change and development in an independent nation.

It must be recognised that colonial social, political and economic institutions were in general not geared to administer to the need of an independent nor a democratic environment.

They were instead

concerned with the domination, subjugation and exploitation of our peoples. Any developments resulting from the colonial experience were more incidental than intended. The task of responding to the developmental needs of an independent nation state or to a people that would be free was one that could only be met by the creation of new institutional structures or the transformation of existing ones.

The tragedy of our circumstances is that nearly all of the new institutional structures set up in an independent Guyana represent an expansion of the existing state bureaucratic apparatus. It is a tragedy because these bureaucratic structures though purportedly set up to cater for the needs of the people are in the final analysis part of the state apparatus and therefore institutions of domination. It is a tragedy because these institutional developments represent a considerable expansion of superstructural elements without a corresponding expansion of the economic foundations of the society.

The colonial state apparatus was lean and tailored and effectively suited to the form of plantation economic organisation of colonial British Guiana. The colonial state was not only a reflection of the plantation economy but it also complemented it in the orchestration of the colonial order.

Today it's different, the post colonial state is a sprawling, ponderous ill-co-ordinated and ill-functioning monster. This massive network of bureaucratic institutions are superimposed on the feeble and inadequate

remnants of an inherited and nationalised colonial economic system. The post-colonial state-bureaucratic apparatus is feeding on and strangling the inherited economy.

As one former leading politician and government minister said in an interview: "We have the same sugar, the same rice, the same bauxite". In referring to the great expansion of the State apparatus he said pitifully "It is like the head of an elephant on the body of an ant."

The head of the elephant is evident in the numerous public corporations most of which are plagued by the Guy-syndrome of producing at a loss and being overstaffed and corrupt. There are public corporations and public corporations for public corporations.

Co-ordination bodies like Guystac and BIDCO with their numerous relatively highly paid executives will be hard put to justify their existence to the public. These bodies along with some corporations produce no wealth but feed on the dwindling national pie.

Government ministries have without exception all expanded both in terms of the addition of new departments and in the five to ten fold increase in their staff since 1966. The benefits derived from most such expansions are in most cases minimal. Instead administrative怠慢 has resulted with the majority of public servants finding themselves at work all day but without a full day's work.

The public sector in 1981 employed 105,221 persons and the traditional public service employed 30,000 persons. These large numbers employed by the state in

quite understandable when it is considered that institutions like the Army, National Service and People's Militia and National Guard Service are products of the post-colonial state while the police have more than doubled their manpower.

The new regional system will add a further 10,000 employees in the service of the State. Though these new State institutions may provide more or less efficient services they do not produce material wealth on a self-sufficient basis and consequently feed on the depleted economy.

The military institutions in particular require military hardware not produced in Guyana and which must be purchased with hard currency earned from our dwindling exports for which poor prices are paid.

The position then is clear. State institutions that have been set up are largely consumers and not producers of wealth. In fact far too few Guyanese are actually engaged in the production of material wealth.

State bureaucracies have also become top heavy thus further worsening the problem. Whereas before there were about twelve government ministries today there are at least 40 government ministries. The number of government ministers has more than doubled since Independence.

There are now two Permanent Secretaries in some ministries and in one case a Parliamentary Secretary as well working for the same Minister. There are now four designated Deputy Commissioners of Police and four Deputy Director Generals of the National Service where previously there was

one.

In many other areas top ranking officials have been quadrupled and specialists increased. Allowances and salaries for such officials are huge relative to the rank and file worker.

The body of the ant is feeling the squeeze while the head of the elephant bellows loudly and meaninglessly.

Not only is the State apparatus imposing a tremendous strain on the economy but because of this imbalance the State is unable to bring about an expansion of the economy. Equally critical is the fact that the employees of the State are seeking to safeguard and enhance their positions in the system thus making the State apparatus responsive to the needs of its members rather than be oriented to the needs of the people. The system of distribution of scarce items like milk and margarine where public servants and other State officials are given preferential guaranteed quotas might be an indication of this.

Worst still is the fact that State bureaucratic institutions are disposed to the negative exercise of authority on the public. One is often told "sorry comrade", "we can't allow it", "you come too late", "you come to the wrong place", "come back at 1 o'clock". Things are made possible when favours are granted public officials, bribes offered, or friends or family are involved. The art of the negative perfected by public institutions has resulted in the undemocratic exercise of power in the society. It has resulted also in unproductive activity by the State and the alienation of the people from structures of government.

This is not simply a party problem. The Guyanese people themselves are involved in the management, operation, preservation and expansion of the State apparatus. That is, we are all involved though some are more involved than others. It

might be as Franz Fanon in his "Wretched of the Earth" suggests that we are currently experiencing the pitfalls of national consciousness.

The time has come for all Guyana to learn from the past colonial experiences of other Third World countries.

Rationale for Rejection of IMF

Georgetown SUNDAY CHRONICLE in English 1 May 83 p 5

[Editorial]

[Text]

A WIDESPREAD public indignation at the harshness of the terms offered by the International Monetary Fund to the Government of Guyana, in the present negotiations, is understandable.

The proposals are little short of iniquitous, and deserve to be flatly rejected.

Yet we ought not to be surprised at the nature and direction of the proposals themselves.

The most important proposals, reportedly include:

- Devaluation of the Guyana dollar, by 66½ to 100 per cent in relation to the U.S. dollar.

- A rigid wage freeze (for the foreseeable future).

- Reduction of Government spending by some \$200m.

- Dismantling of the Rice Marketing Board.

- An insistence that Government should not attempt to cushion the effect of these measures by subsidies or other means.

The results of this prescription for the Guyanese economy, are not difficult to anticipate.

If the Government were to agree to the I.M.F. proposals, then we would see, inevitably and immediately, massive

price rises, a swift demise of our national ambition to be self-sufficient in food, an escalation of social violence, and the beginning of the "war of all against each."

To its credit, the Guyanese team was able, with admirable seriousness, to point out the fundamental fallacies at the heart of I.M.F. economic thinking, particularly the fact that the devaluation they suggest would at a stroke, virtually destroy the capital base of the same private enterprise they say they wish to help, by halving the value of their money in the bank.

Guyana's experience with international debt, forms part of an established pattern of economic and trade relationships between the rich industrialised nations of the North, and the developing nations of the South.

Like most other countries, ours is a member of the I.M.F., with the right to call upon the facilities or resources of that international agency.

Guyana entered into negotiations with the I.M.F. in this case, because we owe about

\$1.1 billion to our wealthier trading partners in the industrialised world.

This money was spent on some things we could not do without such as drugs and spare parts, as well as some things we could have avoided buying, such as foreign goods and other consumer commodities.

There was nothing wrong in approaching the I.M.F. since the Fund is an international agency designed to help prevent the collapse of world trade in times of crises.

On it is represented both Communist and capitalist nations.

It has received appeals from Brazil and Mexico on the one hand as well as from Poland and Yugoslavia on the other.

Besides, all the other international lending agencies such as the World Bank tend to wait for the good word from the I.M.F., before unloosing their purse strings.

So negotiation with the I.M.F. represents a necessary prelude to the revival of our prospects of those successful international trade relations, upon which the solution to our foreign exchange difficulties depend.

The root problem therefore is not really whether the I.M.F. itself is prepared to assist us, or even the wicked conditionalities it imposes as the price of that assistance.

The simple reality is that without the I.M.F. recommendation we are unlikely to get any more credit until we pay off that \$1.1 billion.

That situation is not unusual for Third World nations. The sums involved are astronomical.

In 1980, the underdeveloped nations

owed a total of \$4 500 million of foreign debt, and in 1981, nine Third World countries alone were forced to refinance \$10 000 million of debt. World Bank estimates place the Third World foreign debt at \$629,000 million at the end of 1981.

At the moment, Mexico, Brazil and Argentina, together owe the developed nations over US \$200 billion, without any immediate prospects of repayment.

Even though in their case (having had its lending power doubled) the I.M.F. has mounted an extensive rescue operation, after imposing roughly the same harsh packet that they have offered Guyana, economists argue that Mexico's debt burden, for example, will be even greater in 1987, than it is now.

In fact it is not possible to cite a single Third World nation which has recovered after adopting the I.M.F. treatment.

On the contrary, the Argentine economy is reportedly on the verge of collapse. Brazil's cruzeiro is worth less than the Guyana dollar, and workers recently rioted in the streets of Sao Paulo. Mexico's standard of living has fallen dramatically in the past year.

The escalating debt burden borne by the developing nations represents a prominent feature of the present economic recession in the capitalist economies.

The situation has been growing steadily worse over the past decade, and some nations, like Costa Rica, have been able to borrow just enough money to pay the interest on their primary debt.

According to the Organisation for

Economic Co-operation and Development (O.E.C.D.) the debt itself grew between 1971 and 1981, by 19.7 per cent (to \$629,000 million) but servicing the debt increased by 26.2 per cent, to a total of 111,700 million dollars in that same year. For many Third World countries, the more we pay the more we owe.

In addition, a growing proportion of these huge sums are owed, not to Western governments or international agencies, but to the major private banks, some of which now rank as important transnational corporations.

These banks, benefiting enormously from the rush of petro-dollars following the rise in oil prices during the early 1970s, rushed to lend that money to the developing nations at high rates of interest. During the late 1970s, bank lending to developing countries increased at an annual rate of 25 per cent

Now that the Third World countries cannot repay, the international financial system is itself in crisis.

An unprecedented degree of co-operation between the private banks, the Central bankers, the Bank for International Settlements at Basle, and the I.M.F. during the past six months, has apparently staved off for the moment, a collapse in the capitalist world's banking system. But the private banks have virtually stopped lending.

The result is that even if Guyana did not owe 1.1 billion dollars, it would become increasingly

difficult to find money or credit for current expenditure or for development projects.

One conclusion is that the attitudes of the I.M.F. are formed not so much by an inability to understand Guyana's technical economic objections to their plan, but rather more, by the context of international inequality and exploitation within which it operates. We would argue that the problem lies in the nature of capitalism as a system of production and exchange.

It might well be that some developing nations have been "living beyond their means" by opting for development projects, free education, better health service and so on. Yet no one can condemn any nation for struggling to overcome its own backwardness. There are within our region countries which have passed the I.M.F. tests, accepted huge loans from the West, and ended up worse off than they were before.

Sadly some of these nations possess neither the resources, the will, nor the leadership to pursue genuine independence.

We in Guyana are more fortunate.

The I.M.F. proposals should serve as a valuable lesson, not only in the structure and operation of global capitalist relations, but also as an insight into the way that rich industrial nations increase the dependency, and perpetuate the backwardness of developing countries. — R.P.

Labor Problems

Georgetown SUNDAY CHRONICLE in English 1 May 83 p 5

[Article by Carl Blackman]

[Text] TODAY thousands upon thousands of the dedicated trade unionists, bourgeoisie masquerading as workers' champions and those who just march along to participate to be able to join in the aftersport, will don red shirts to parade through various towns and villages singing Solidarity Forever and calling for an acceleration of social justice.

Unfortunately they will be marching to different drummers. Jagan will be taking to the hustings in the sugar belt while the TUC-sponsored rallies will be addressed by President Burnham and government ministers.

This political crack in trade union solidarity is regrettable but not fatal: most of Guyana's unions are at one on basic trade union issues. They have survived the fiery furnace of oppression, blackmail and barefaced bullying to reach their present position of responsibility and respect.

Hubert Nathaniel Critchlow, a fourth-standard dropout, stood up to the waterfront barons and established the first trade union in Britain's far-flung empire in the days when the normal house of work was from daybreak until unconscious.

The workers at Demba (now Guymine) staged a successful 60-day strike against the arrogant racist managers who at first refused to bow to their demands unless the obscene word 'union' was exorcised from every page of proposals.

The Transport Workers' Union humbled the peppery Colonel Robert Victor Teare whose concept of trade unions was servile groups kneeling in supplication before their almighty boss.

How fares the trade unions today. Some say the union leaders have lost their militancy and politics have turned them into pliable tools of the government. I consider such sweeping statements unfair and exaggerated and rather suspect that with retrenchment, inflation and general hard times sweeping the land, union leaders are wary about making demands which employers are in no position to grant. Therefore unions have resorted to wearing down tactics, go-slow, absenteeism in preference to outright confrontations when the hard-pressure worker cannot afford to lose even one day's pay.

I fear that this tactic has led to a deterioration of the work ethic with a significant segment of the work force seizing on the flimsiest excuses to shirk and loaf. They arrive late for work and barefacedly blame the government for not providing efficient transportation. They perform sloppily or fail to perform and cite lack of incentives or lack of groceries as the root cause. And when rain falls--oh, that is an act of God and a heaven-sent excuse to stay home.

This runs counter to our much vaunted precept about 'worker participation--that both worker and manager perspire together to achieve increased production and productivity. Look at a few examples from capitalist countries, legendary exploiters of the oppressed masses.

Item: Several thousand employees of an ailing airline in America agreed to chip in part of their wages to buy a new plane to try to save the country from going bankrupt.

Item: A group of workers who won a million dollar football pool decided to work a Sunday free to compensate for the day they spent going to collect their massive winnings.

Could this happen here? I suspect that no employee of any company or corporation would agree to put in extra time to compensate for the half-day at cricket or even taking unofficial time off as they stood around their radios cheering Lloyd and Logie.

This is not intended to blame the workers alone for the morass in which this country finds itself. Mismanagement and corruption are also to blame since there could be no hive of activity in any establishment in which the bosses are incompetent, corrupt drones.

Even incentives can fail to achieve their desired results. Only recently I received a second-hand report that two corporations bought the same grade of tyres from Brazil yet one was selling at \$200 more. One reasonable deduction is that the high-charging corporation was putting profits before people and concerned only with high profits and higher incentives.

The situation obviously calls for a keener look at incentives. Obviously it has to be based on profitability but simply tacking on higher mark-ups to get higher profits is putting more hardships on the worker.

Similarly at corporations where there is more shirking than working profits are made at the expense of productivity. Surpluses are essential but just as important as productivity. We must produce oil which can sell less than \$12 a pint--almost the equivalent of a day's wage. We must aim at higher sugar production targets but we are spinning tops in pegasse if strikes and go-slows carry up the production cost per ton.

So today as we celebrate our past achievements and pass ringing resolutions for the ushering in of a workers' paradise we should all realise all is not well with our country. Speeches and resolutions alone will not help let alone reverse our seemingly inexorable drift towards stagnation.

Recently Prime Minister Hawke of Australia a few weeks after his election, called in labour, business and government leaders on urgent talks to try to turn around the economy. So far there have been no reports of instant, magic results. But I recommend it as a move that all concerned leaders of Guyana might well consider.

Slap at U.S. Policy

Georgetown GUYANA CHRONICLE in English 10 May 83 p 5

[Article by Courtney Gibson]

[Text]

IN the United States of America where there is now a stockpile of grain, the Reagan administration is paying American farmers not to plant their lands so that the price of grain may be maintained at a high level.

..At the same time however, millions of people the world over are experiencing daily, the pangs of hunger and the agonies of starvation — agonies due primarily to the fact that they either do not or cannot produce their own food, or they do not produce enough of their own food.

And, now that the prevailing economic crises are trying to strangle all countries — big and small, rich and poor, and on either side of the ideological divide — the cruelties of the food dependency syndrome are beginning to manifest themselves more clearly.

The writing was on the wall for several years and those who had recognised it for what it's worth, have been warning that in the same way that oil was used as a weapon in the 70s, in this decade, food will be the major weapon.

WEAPON

One can readily quote Guyana's own recent experience in which the United States government sought to use food (wheat) as a political weapon against the government and people of Guyana.

It was, of course, a dastardly act. And, if ever a nation wants to be convinced about the

righteousness of pursuing a policy of self-sufficiency in food or national food security, then the Guyana experience vis-a-vis the U.S.A "starve-the-righteous" policy, speaks out eloquently.

In essence, what the Reagan administration was seeking to do, was to control, distort and subvert the political process in Guyana, a politically independent sovereign and non-aligned state, by merely pulling the lever marked "food" on its "dirty-tricks" control panel in Washington.

The Guyana government's response to this deadly power game being played by the Washington administration was to call on the nation to forget the American wheat and fall back on its own resources.

Therein, perhaps, lay one of the Government's most unpopular political decisions — so much so, that after nearly one year, "flour" continues to be a very emotional issue.

WISDOM

From indications, it will continue to be an inflamed issue for some while yet. It is this writer's contention, however, that when the history of this country is written, all intellectually honest historians will recognise the wisdom of the politically unpopular decision:

They will also recognise the wisdom embodied in the remarks made by President Forbes Burnham in his May Day address when

he said "he who depends on another man for his food is a slave to that man."

Clearly, slavery is not yet truly a thing of the past.

In this context, the concept being referred to as 'food security' must be considered as a Lynch pin in the development process of all countries. For, as Director-General of the Food and Agricultural Organisation (FAO) pointed out recently, food security affects the "vital interests" of all nations.

In this context too, one needs to be aware of the excruciatingly painful effects a distorted application of the concept of "food aid" could have on countries like Guyana.

It is a concept which Guyanese should be wary of, for there is a view abroad that because of Guyana's current difficulties, it should go cap in hand and with a begging bowl in search of some not necessarily basic or essential food items.

Food aid could be a pleasant child but an awfully dreadful friend depending upon the manner in which it is dressed up" for history is replete with examples in which "food aid" was used merely to concretise a country's food dependency syndrome.

HABITS

There is nothing inherently wrong with a country receiving food aid providing, of course, that the aid received is made to serve the process of development in a meaningful way and is not a super imposition of tastes and food habits from abroad.

Some years ago, for example, when the self-help fever was sweeping the country, the injection of "food aid" in that

case , packets of food items distributed as handouts to individuals — helped to distort the reality in that the scramble for the packets quickly forced the self-help activities into the background.

By the time the "food aid" eventually dried up, many of the projects had already been destroyed and the process of development retarded. In the context of Guyana, "food aid" should help to enrich the development process. Instead of "handouts" to individuals , "food aid" should be considered as that form of aid which helps to promote the nation's self-sufficiency in food or "food security" drive.

For this reason, the aid Guyana receives from the European Economic Community (EEC) whereby funds generated from the sale of non-fat powdered milk made available by the EEC are utilised for the development of the local dairy industry so that the nation may become self-sufficient in milk and milk products, should be considered a superior and acceptable form of food aid.

In short, a sensible approach to national food security simmers

down to this: don't give a hungry man fish to eat. Instead, teach the guy to fish so that he may feed himself and his family for the rest of his life.

MANIPULATION

Unfortunately, however, many seem to perceive national food security for countries like Guyana as a threat to the existing world order they are pledged to preserve. For, to the extent that a country is self-reliant, to an even greater extent are the chances of foreign manipulation of its internal processes restricted.

And, of even greater importance, should a country like Guyana be self-sufficient in food, more remote would be the chances of anyone or of any country successfully using food as the ultimate political weapon of destabilisation against it.

The FAO Director-General , no doubt, had ideas like these in mind last month, when in a report to the FAO's Committee on World Food Security, he said: "The development of an effective system of food security will enable nations of the world to live better in the present, and to look with greater confidence towards the future."

GUYANA'S DIPLOMATS COMPLETE 9-DAY REVIEW CONFERENCE

Georgetown SUNDAY CHRONICLE in English 1 May 83 p 12

[Text]

HEADS of Guyana's missions overseas and senior officials of the Foreign Ministry Friday ended nine days of fruitful discussions at Port Kaituma, during which several recommendations on economic and political issues were formulated.

Reliable reports reaching the Guyana News Agency (GNA) suggest that a number of significant changes, pertaining to ambassadorial postings and management of the missions are in the offing and are likely to be announced soon by President Forbes Burnham.

It is known that a new ambassador to Brazil will have to be chosen to replace Cde. Lionel Samuels who died late March. A senior government minister has been tipped to fill this vacancy.

The diplomats, who returned to Georgetown Friday, are reported to have completed their deliberations on agenda items, but some details on administrative issues are still to be finalised.

President Burnham who was on a face-the-community tour of Region One (Barima-

Waini) last week, met with the country's top diplomats and Foreign Ministry officials on several occasions, including the final sessions on Wednesday and Thursday.

On wednesday night, the diplomats participated in a face-the-community meeting at Port Kaituma.

Foreign diplomats based in Guyana also visited Port Kaituma during the annual Heads of Missions conference. They were guests at a luncheon hosted by President Burnham on Thursday.

Meanwhile, it is understood that the diplomats will be visiting various public corporations beginning Wednesday, for discussions with senior corporation officials.

A discussion session involving the top diplomats and the staff and students of the University of Guyana has also been arranged for next week.

The session which will address important international issues such as the liberation struggle in Southern Africa, will be held on Wednesday, May 4.

PROGRAMS PLANNED, UNDER WAY FOR REGIONAL DEVELOPMENT

Army Role in Region 1

Georgetown GUYANA CHRONICLE in English 30 Apr 83 pp 1, 5

[Article by George Baird]

[Text]

THE administration of Matthew's Ridge-Arakaka-Kaituma (Matarkai) sub-region of Region One (Barima-Waini), is to be re-organised with the Army and Guyana National Service playing a more dominant role in development of the area.

President Forbes Burnham made this announcement at a public meeting at the Port Kaituma Training School on Wednesday night after discussions with the Chief-of-Staff of the Disciplined Services, Brigadier Norman McLean, GDF Commander David Granger, and Regional Chairman, Barrington Ward, at Kaituma House.

Also involved in the discussions were Head of the Presidential Secretariat, Cecil Douglas, and Minister of National and Regional Development, Robert Corbin.

President Burnham who was addressing a "face-the-community" gathering of personnel from the Disciplined Services and residents of the Kaituma area, said the army would be in-

volved with civilians in the running of the Region but would still be responsible to the Regional Chairman. The details of this plan of action were being worked out with the Minister.

The President said it was not a question of superimposing the Army on the region, but the Disciplined Services had the capacity and the logistics to push development in the area.

He pointed out that since the Services had taken over, already the railway service had improved.

Cde. Burnham further disclosed that Government proposed to start in the Matarkai sub-region the first set of Area Councils and Co-operative Councils envisaged in the People's New Constitution.

The President explained that the present Matarkai Board will be absorbed in the new administrative structure, with no harm to employees.

One of the main tasks of the new administration would be to set up a facility to help

small farmers with ploughing and tillage so that production of cassava and corn could be at the maximum.

In reply to another problem raised, the President said that despite his personal view, station allowances which had been withheld from the Matarkai employees, would be paid to them by August 1.

Guyana Pharmaceutical Corporation is to be asked to raise its stock level at its outlets in the Region, and Guyana Fisheries Limited will begin fortnightly delivery of several thousand pounds of fish following a decision by the Regional Chairman to set up two cold storage facilities.

Guyana's overseas-based diplomats who concluded their annual conference yesterday were among the audience as the President promised to ensure that milk and other basic necessities were available to the residents.

President Burnham also gave the undertaking that serious problems with the National Insurance Scheme and the Income Tax Department about which residents complained would be rectified by May 15.

Other assurances given were that farm-to-market roads would be built, that the problem of transportation between Kumaka and Kaituma would be looked into, and that the Ministry of Agriculture would supply legumes for planting.

President Burnham stressed that Government was prepared to work with the people to overcome the crisis. He spoke again about the International Monetary Fund's "unacceptable" conditions for assistance and suggested that while Government continued to talk with the IMF, "we must go out and develop those resources which are easily developed."

Emphasising the tremendous benefits from agriculture, Cde. Burnham revealed that Guyana entered an agreement with Yugoslavia to exploit gold and the Government was in correspondence with an oil company over oil negotiations.

"The oil will take some time, but the food we can reap now", the President declared.

He said Trinidad and Tobago alone could net Guyana several million from the sale of food and timber, and cassava and corn could help earn more foreign exchange.

"Things are tough but it must not make us lose our will to survive. We cannot overcome the problems unless there is the fullest co-operation between Government and people.

"We are all in it together. We sink or swim together. But we in Guyana cannot starve unless we want to starve", the President added.

Meanwhile, on the President's instructions, a paymaster arrived in the area with \$62 000 to effect the disbursement of wages and salaries overdue to Matarkai employees.

Plans for Essequibo Coast

Georgetown SUNDAY CHRONICLE in English 1 May 83 p 5

[Text]

The Essequibo Coast, a sprawling 38-mile strip of fertile land that stretches from the Supenaam River to Charity on the bank of the Pomeroon River, is on the brink of an economic take-off.

After the sugar estates were closed down, there was a long period of lethargy and stagnation, but the estimated 100 000 residents are now confident that there is a bright future ahead.

For a long time, rice has been the only food crop of importance, but a transformation is taking place. Rice will continue to be the dominant crop aided by the vast Tapakuma Scheme that will bring more acreage under cultivation.

But rice is no longer the beginning and end of the Region. With the development of the Pomeroon accelerating and the Regional accent on agriculture, the area is already producing surplus food besides rice.

The Essequibo Coast is one of the few areas in Guyana where food crops, especially plantain and banana, grow profusely along parapets.

Everybody plants "something to eat" and what they do not eat, they sell. Periodic flooding during high tides have been a drawback but sea defence projects are battling the problem.

Unoccupied lands are being cultivated under a new system introduced by the Regional administration: "As long as there are idle lands and people want to use them, they are welcome". This system is bringing virgin lands

under cultivation.

There are the regular complaints of shortages of certain essential items. Poultry and eggs are scarce and the livestock industry is not booming.

But the area is almost self-supporting in food and even produces a surplus of corn, cassava and eddoes.

One of the most exciting projects in the Region is the development of the Mainstay holiday resort. Built on an Amerindian reservation, on the bank of the Mainstay Lake, it represents one of Guyana's most beautiful scenes.

To people in Demerara and Berbice, the Essequibo Coast is a distant land. Certainly, Charity or Anna Regina is a long way from O'realla. If you cannot afford to fly there, you have to travel the hard way: long hours on a ferry boat from Parika to Adventure that might be delayed because of an unreliable service.

And there is no doubt that the Parika-Adventure crossing could be a nightmare, but it will not always be in this state.

Whatever may be the discomfort suffered on a trip to the Essequibo Coast, the reward is more than adequate. The Region is worth seeing and Essequibians are very hospitable. There are several comfortable hotels and guest houses available and its seawalls are a beautiful sight.

N.B. The Digest team met several residents from Georgetown holidaying there. Two of them were recuperating from illness and recommended the Essequibo Coast as being ideal for this purpose.

Expanded Rice Cultivation

Georgetown GUYANA CHRONICLE in English 4 May 83 p 4

[Text]

THE Regional Democratic Council of Region 4 (Demerara-Mahaica), will spend over \$55000 to provide drainage and irrigation for 800 acres to be brought under rice cultivation.

The areas to benefit are Liliendaal, Ogle, Melanie North, Bachelor's Adventure, Paradise, Foulis, Enmore, Haslington, Golden Grove (East and West) and Bee Hive, all on the East Coast of Demerara.

Some 6,000 rods of waterways ten feet wide and three feet deep will be excavated.

Meanwhile, at Coverden, East Bank, Demerara, \$41,000 will be spent on improving the drainage system.

For some time now the area has been ex-

periencing poor drainage and as a result, farmers were forced to abandon their farmlands because of continuous flooding.

It is expected that at the completion of the drainage project approximately 300 acres will come under agricultural production.

It is also reported that two thousand rods of drainage and irrigation trenches at Sections 'B', 'C' and 'D' at Plaisance will be excavated, thus benefiting 100 farming families.

Also to be excavated are two residential trenches — one at Graham Street and the other at Victoria Road.

Each of these trenches measure 107 rods, and will have a depth of five feet and a width of eight feet.

Village Modernization

Georgetown GUYANA CHRONICLE in English 10 May 83 pp 1, 4

[Text] RESIDENTS of Waramuri, 12 miles from Akwero in the reverain part of the North West District in Region One, and President Forbes Burnham Saturday afternoon agreed to a plan which would make their little village "a modern and prosperous community."

The details of the plan would be finalised by Assistant Regional Executive Officer, Nolan Richards, but basically it aims at modernising the present system of subsistence farming.

In this village where women far outnumber men, the people are to get involved in large-scale cassava farming and to sell cassareep, wild nuts and cashew nuts to the Government.

A co-operative officer is to be sent to organise a co-op and the shops there have been assured of a regular and reasonable supply of salt and other scarce items.

All these matters were agreed on following a discourse between the President and the people at the Waramuri Government School where hundreds, including schoolchildren, gave Cde Burnham an enthusiastic welcome.

Cde David Peters, the main spokesman for the residents, explained that the folk produce mainly to feed themselves and have no surplus.

The President pointed out that while it was a good thing for the people to produce for subsistence it was important to produce surpluses so they could purchase the things they could not produce. Cassava sticks of a new high-yielding variety are to be sent to Waramuri for the new cassava venture, in an effort to ease their economic problems.

Recalling his last visit to the village in 1980, Cde Burnham remarked that the population had increased and that they now have a modern hospital which is being supplied its power from solar energy.

"I remember Waramuri. You have supported the People's National Congress and it is the Government's duty to help you to have a better economy and live more comfortably," the President said.

Earlier, at another face-the-community meeting at Kumaka Marketing Centre Office, the President promised Government's assistance to either help salvage and rehabilitate the "Lady Moruka" or pay part of the cost for a new boat.

A gift engine to the people of the area would also be allowed in duty free, the President promised, after he assured them of the Government's determination to work with the people to turn around the national economy. Available means of transportation of basic commodities to the area sank in March.

The President pointed to the effects of the World situation in many countries but declared that the answer was not to get another country or agency to "bail you out."

He repeated the plan of the Party and Government and added: "We can come out of the bind if we succeed in agriculture, and in fishing and if we succeed in keeping at home the millions of dollars of gold that are being smuggled out of this country every year."

To develop the copra industry at Kumaka, the President specially took with him a designer and a builder of solar energy systems and disclosed that a system would be installed in the area.

On infrastructure, the President advised Regional Chairman Barrington Ward to put into his Budget for this year the maintenance of the road so people can get their produce to market. The people would, however have to use self-help for this project.

Replying to a complaint that certain officers were not serving the people, the President instructed that the Regional Administration co-ordinate the sharing of transportation by the various officials.

A quota is to be allocated to Kumaka so that regular supplies would reach the people either through private shops or the consumers' co-op, the President said.

The Ministry of Education will be told to work out a system whereby children in the area whose parents cannot afford would still enjoy secondary education.

Among other matters to be sorted are the establishment of a gold-buying agency and the availability of agricultural tools.

Minister of Health and Public Welfare Dr. Richard Van West Charles, helped the President to supply ready answers to some health problems in the areas where the two most modern hospital complexes in the country have been constructed.

Other officials travelling with the President on his weekend tour were Chief Political Adviser Elvin McDavid, Executive Secretary of the PNC Malcolm Parris and the new Parliamentary Secretary for Agriculture, Cde. J.B. Caldiera.

CSO: 3298/629

WORKERS, HIGH-INCOME EARNERS GET TAX BREAK IN NEW BILL

Georgetown GUYANA CHRONICLE in English 7 May 83 pp 1, 5

[Text]

TENS OF thousands of this nation's workers will enjoy income tax relief as a result of a Bill passed in the National Assembly yesterday.

The Fiscal Enactments Amendments Bill 1983 presented by Vice-President, Administration, Desmond Hoyte, also slashes 20 per cent off tax payable by high-income earners.

Taxpayers who up to yesterday paid as much as 70 per cent on taxable income would now pay no more than 50 per cent under the new legislation.

Sections of the Bill also seek to "correct blatant evasion of taxes," Speaker Sase Narine observed, while commending the Bill as an effort "to ease the burden of the taxpayer."

Vice-President Hoyte told the National Assembly in his presentation that some 55 000 workers would benefit as a result of the new minimum ceiling. "This is part of government's policy to ease the burden in practical and realistic ways," he said.

LOOHOLES

Other amendments: Permit person's tax deduction for contribution to international

institutions— "We bear in mind we are members of Caricom and other international institutions," the Vice-President explained.

"If a person wants to donate a sum of money or contribute, for example to the Council of Legal Education, such contribution would be treated as if to a national institution."

(2) Block certain loopholes in the tax laws: "Many non-resident companies have been investing in treasury bills near to the end of the year to show they have not exported their profits and so qualify for tax deductions. But early in the new year they encash the bills and by this means avoid the withholding tax they would have been required to pay." These companies would now be required to hold such bills for a minimum of 13 months under the new legislation.

EXEMPTIONS

The amount which any individual can donate to a charitable institution and claim for income tax purposes is now limited to 10 per cent of chargeable income. "Within recent years there has been an

alarming increase in the number of persons and companies claiming they donated all their income to institutions ... People gave all their money to institutions which then turned around and maintained them throughout the year," the Vice-President disclosed.

• Persons who take out deferred annuity policies with insurance companies would have to take such policies for a period of not less than 10 years, and can surrender such policies before five years only with the proviso that they are liable to be re-assessed by the Commissioner of Inland Revenue.

"What many people have been doing is taking out deferred annuities just before year-end, claiming income tax deductions for them, and encashing the policies early the following year," the Vice-President said; and modify the Capital Gains and Property Tax Acts.

• Calculation of property tax would now be based on the value of the property at January 1, 1981. Correspondingly the amendment provides for increases in claims for tax exemptions for tools, furniture, and jewellery. The tax ceiling on tools goes up from \$5 000 to \$10 000, on furniture from \$2 000 to \$10 000, and on jewellery from \$2 000 to \$5 000.

• The taxable differential for Capital

Gains Tax would now be calculated on the difference between the value of the property at January 1, 1981 and the date of sale.

(3) Raise international travel tax from 30 per cent to 50 per cent the cost of the ticket.

Minority

Parliamentarian Marcellus Feilden-Singh supported most of the amendments: "To the extent the Bill is a 'clean-up' operation; it is good and has our support," he said, but dubbed the Travel Tax amendment as "penal". He told the government parliamentarians: "You are almost forcing people to stay in Guyana."

Mr. Feilden-Singh also called for separate assessment of women for income tax purposes, criticising the present system whereby the husband pays tax for both himself and wife as "a disincentive" to wives who want to work.

He also criticised the new tax ceiling of \$1 000 proposing that government consider increasing the ceiling to \$2 000.

Vice-President Hoyte noted that the maximum 70 per cent ceiling for high-income earners had for years been a "sore-point" for professional people, managers and working couples. He recalled that Barbados had recently reduced their top ceiling to 60 per cent.

FURTHER DETAILS ON STATUS OF SUGAR OUTPUT REPORTED

Georgetown SUNDAY CHRONICLE in English 1 May 83 p 12

[Text]

IN the fifteenth week of grinding operations, the Sugar Industry has achieved 85,615 tons of sugar, 84.9 per cent of the estimated production target of 100,870 tons set for the first sugar crop.

The Corporation in an effort to reduce production shortfall has kept a number of factories in operation despite earlier schedules for the completion of grinding.

The Sugar Industry this week surpassed its production target when it achieved 1,575 tons of sugar, which is 41.3 per cent above the 1,115 ton week's estimate.

This week, flood conditions at Skeldon forced that estate to end its crop when it had produced only 10 tons of

its 725-ton target. Adverse weather conditions also affected Blairmont which achieved only 125 tons of its 390 ton target for this week.

The other locations which were not scheduled to be grinding produced the following:- Albion Port Mourant - 270 tons; Rose Hall - 305 tons, La Bonne Intention - 420 tons; Wales - 40 tons; Uitvlugt - 400 tons.

L.B.I. and Uitvlugt will continue grinding and will only be closed if the rains continue thereby making it uneconomical to keep them on stream.

Meanwhile, the other eight factories have commenced their out-of-crop maintenance for the long second crop.

CSO: 3298/628

GOVERNMENT LIT FOR FOOD POLICY, SEEKS TO BOOST FOREIGN EXCHANGE

Linden Demonstrations

Georgetown GUYANA CHRONICLE in English 7 May 83 p 4

[Text]

SCORES of bauxite workers took to the streets of Linden early yesterday in what union officials referred to as the first in "a series of one-day protest demonstrations" that will continue until their requests that increased quotas of food items sent to the Bauxite Community are met.

The demonstration was initiated following a mid-week meeting of shop stewards of the Guyana Mine Workers Union (GMWU)

Reports yesterday

afternoon said 762 workers were known to be off their jobs yesterday. Those workers attached to the Green Construction Company were said to be on the job.

Yesterday's was the second protest demonstration in recent times. Three Fridays ago, workers took to the streets in a demonstration against the issue of a limited amount of cooking oil (half pint) to each employee. Much of the oil is reportedly still to be picked up from the shopping plaza.

Barter Deal with Jamaica

Port-of-Spain TRINIDAD GUARDIAN in English 13 May 83 p 5

[Text]

GEOGETOWN, Thurs., (Cana):

GUYANA, which has an acute foreign exchange shortage, is trying to swap its products for a range of items including tractors, drugs, steel, and cement, a Government spokesman, Winston Murray, has reported.

One deal had been made with Jamaica, which, like Guyana, belongs to the Caribbean Community (Caricom), and the Forbes Burnham Government was trying to have similar barter arrangements with Cuba, as well as with other countries, said Murray, head of the Department of International Economic Cooperation in the Economic Planning and Finance Ministry.

Guyana's foreign exchange problems worsened last year, after shortfalls in revenue from its major exports — rice, sugar and bauxite. The problems forced the Government to cut back on a range of imports and make efforts to have

foreign debt repayments rescheduled.

Mr. Murray said the Government would use its rice, timber and bauxite in barter arrangements aimed at landing items, including fertilisers and spare parts, for in-

dustries.

RESPONSE AWAITED

"At the moment, Guyana and Jamaica ...have entered into a barter arrangement in which Guyana's rice is being exchanged for soyabean from Jamaica," Mr. Murray said.

Guyana had indicated its interest in counter trade, to Cuba's Foreign Trade Ministry and was now awaiting a response, Mr. Murray reported.

"Attempts are also being made to exchange local timber for machinery needed for timber operations," he said, without naming the countries involved.

Mr. Murray announced the setting up of a six-member committee, headed by Guyana's Vice President (Administration) Desmond Hoyte, which will "develop, coordinate and oversee counter trade arrange-

ments between Guyana and overseas agencies."

Such a body, he said, was necessary for ensuring that counter trade was controlled and did not take away from traditional or potential hard currency markets.

The committee will also consider the feasibility of individual counter trade proposals channelled to the Ministry of Economic Planning and Finance, which is the agency responsible for handling these arrangements.

"Counter trade is a fall-back position which was being resorted to with greater frequency by many countries, because of foreign exchange problems and difficulties in marketing traditional export commodities, both offshoots of the current global economic recession," Mr. Murray said.

Guyana had, in previous times, been engaged in counter trade on an informal basis "in peripheral areas," he added.

WPA Criticism

Bridgetown BARBADOS ADVOCATE in English 17 May 83 p 3

[Text]

GEORGETOWN, Guyana, Monday, (CANA). — The Opposition Working People's Alliance (WPA) has urged President Forbes Burnham to import a wide range of food stuff and implement other measures to alleviate suffering among Guyanese.

The WPA said in a letter to President Burnham that it would organise peaceful protests if efforts to introduce the measures were not implemented by July 30.

The letter, made available to CANA, said it was demanding that on behalf of Guyanese people "the importation of wheat, split peas and milk be resumed without delay."

It said the police should be ordered to stop seizing food and the means test for old age pensions to be raised to at least \$100 (Guy\$1 — 33 cents U.S.)

Another demand was that supplies of basic drugs and health aids be guaranteed and measures be taken to combat violent crimes in all communities.

The practice of dismissals without the right to be heard should be stopped and a sufficient supply

of tyres and vehicle parts made available at reasonable prices, the WPA said.

"Tens of thousands of Guyanese men, women and children have signed a petition against your food policy, jobs policy and crime policy. Thousands are still signing," the WPA said.

It continued: "You must know that where staple foods are concerned your food policy is the source of starvation. You must know that it is the cause of rising malnutrition and the sharp rise in child deaths.

"Between December 1981 and November 1982 there was a 49 per cent rise in child deaths in the Georgetown Public Hospital."

The WPA did not give the actual number of child deaths.

The WPA said: "To the person occupying the office of the President of Guyana, you have the duty and the power to see that the basic needs of the people are met. Failure on your part to make a human response to these issues by June 30, 1983, will force the Guyanese people to consider these demands rejected."

Flour as Power Ploy

Bridgetown BARBADOS ADVOCATE in English 19 May 83 p 3

[Text]

GEORGETOWN, Guyana, Wednesday, (CANA) — The Catholic Standard newspaper has charged that the ruling People's National Congress (PNC) has banned the importation of wheaten flour and is encouraging Guyanese to use rice flour because it needs to keep the people dependent on it for food in order to maintain itself in power.

"Flour is power, political power," said the organ of the Roman Catholic Church.

In an editorial comment, the Standard said the one year ago, the Government refused to permit the Guyana Council of Churches and other organisations to import and distribute flour and other basic food items.

The weekly paper said President Forbes Burnham in his May Day speech exhorted the Guyanese people to free themselves of dependency on others for food.

"True, he was telling the people not to be dependent on the United States for wheat, lest they become slaves to that country," the paper said.

The Standard said that it had previously pointed to the dependency of Guyanese on the party for most of their needs, the management of the economy, the importation of goods, the choice of food to eat, the news to read, employment and promotion.

According to the paper, the PNC has since then increased that dependency.

"The control of food distribution has been tightened and a vigorous campaign has been mounted by the police and magistracy to stamp out the sale and possession of wheat flour imported for the parallel market," the paper said.

CSO: 3298/628

LEADERS SPEAK ON MAY DAY; WHEAT DEAL 'BLACKBALL' NOTED

Burnham Address

Georgetown GUYANA CHRONICLE in English 2 May 83 pp 1, 3

[Article by Kamini Persaud]

[Text]

President Forbes Burnham yesterday told the nation's workers that although the reasons for our economic difficulties may be beyond our control, "the remedies and answers lie within our competence and our hands."

Addressing the main TUC rally to mark May Day 1983 at the National Park, President Burnham said even the International Monetary Fund (IMF) had admitted that Guyana's economic difficulties stem from exogenous developments, and that Guyanese could not hope to consume more than they produce.

These exogenous developments, such as the high prices for industrial goods and the low prices and depressed markets for bauxite and sugar, have always been beyond our control, he noted.

But Government, while agreeing with the IMF on these two points, could not accept that institution's prescription.

the President told those present, including members of the diplomatic corps.

"But we will continue to have discussion, because we believe in dialogue and we hope to make our point."

Describing the IMF demands as a "Dr Kick-A-Pooh" (Dr Kick-A-Pooh was noted to be someone who could kill but couldn't cure), President Burnham pointed out that a 66 per cent devaluation of the Guyana dollar and a 200 million dollar cut in public expenditure would result not only in a minimum 40 per cent rise in the cost of living, but will also necessitate the retrenchment of another few thousand workers.

He was critical of the roles of the several international lending institutions, and pointed out that it was important to note that an "iron thread runs through these organisations."

Guyana's answer to its problems would be to concentrate on feeding, clothing and housing itself, providing the basic services necessary for morale, and export trade

Things are tough throughout the world.

but "you are not the ragged of the world, you are not hungry or starving and famine does not roam this land," he contended.

"Guyana may be poor in terms of the resources we have exploited, but Guyana is filthy rich as regards the resources still to be exploited."

And, in a reference to the country's oil resources, President Burnham hinted to an oil reserve in excess of Trinidad and Tobago's.

The President who is also President-on-Leave of the Guyana Labour Union also urged workers to accelerate and develop agricultural production "not only for ourselves but also for Caricom."

In accepting agriculture as an instrument of survival, everyone must be involved, at the level of kitchen garden, private farm or State farm, he stressed.

"Even the schools must be agencies of production...we do not want school gardens, but school farms."

Referring to the current economic atmosphere as a "time of war not a time for technicalities", the President stressed that any gold discovered

being smuggled out of the country would be seized for Government.

He urged Guyanese to use their imagination in utilising local resources and gave the example of cassava, which can be used not only as a food, but also in industry and for export.

Chalk until recently either imported or made from imported materials will within a few weeks be produced locally from kaolin and cassava starch, he said, adding that such imagination could be applied in several other instances.

He gave the reasons why Guyana had had to resort to local rice flour as an alternative to imported wheat flour and explained that if you cannot eat and use what you produce you are still a colonial. "He who depends on another man for food is slave to that man."

"It will take some time, some hard work, some sacrifice, but at the end of the day we will have survived and proved ourselves men, not mice."

And, referring to those who would try to detract Guyana from its set path, President Burnham warned "too often

we rationalise the tastes that have been imposed on us. We do not have only to fend for ourselves, but also think ourselves, and beware of the wolves in sheep's clothing", he added. It was not a question of being socialist or capitalist-oriented, but rather of being in a position to handle the economy for the benefit of the people, he contended.

Some countries, he added, were seeking to get money out of the poor and developing countries, casting the blame for current economic difficulties on the government.

The People's National Congress government has made mistakes, he admitted, "but unless you handle your economy, you cannot fight for the people."

At the onset of his 75-minute address, the President criticised those who were objecting to the government's involvement in May Day activities. May Day, he said, was a day of national significance and it was Government's duty to be involved.

He returned to this theme several times in his address, criticising the boycott of the TUC rallies by certain unions.

TUC Leader's Remarks

Georgetown GUYANA CHRONICLE in English 2 May 83 p 1

[Text]

President of the Trades Union Congress (TUC) Cde Samuel Walker yesterday described proposals advanced by the International Monetary Fund (IMF) as "depressing".

Addressing workers at the May Day rally at the National Park, the veteran trade unionist said that those proposals clearly indicate the need

for Guyanese to "pull themselves up by their boot straps". He said the onus is on Guyanese to help themselves since help is not likely to come from outside sources.

Cde Walker told the workers, "We are our own house keepers" and added that every Guyanese should become aware of the role he has

to play in maintaining the economic stability of the country. He said failure to protect the economy will mean self-destruction.

The IMF proposals to Guyana seeking to meet her balance of payment commitments, include the devaluation of the Guyana dollar by between sixty-six and two-thirds per cent and 100 per cent, removing the subsidies from sugar, rice, water rates, electricity and fuel, and the continuing of a wage freeze.

The TUC President said that the pursuit of agricultural development is the answer to our economic problems and added that he was pleased with the popular response in that area.

He gave the assurance that the TUC will exert all nimbleness of mind in the best interest of the workers and in turn called for unity among the workers.

The rally, which was attended by hundreds of workers from all walks of life, members of the military and para-military forces and school children, was preceded by a solidarity march through the

streets of Georgetown and culminating at the National Park.

From as early as 07:00 hrs workers representing both their unions and agencies began assembling at prescribed points for the parade to the National Park. The Clerical and Commercial Workers union (CCWU) boycotted the March.

With many dressed in the traditional red and white garb the marchers moved off from six convenient points around the city. A light shower which has become normal experience on May Day did not pose much a problem to the participating workers.

Trade unionists have however pointed out that despite the large turn out, the support this year was not as strong as previous years.

Several of the workers during the march carried banners and placards rejecting the IMF proposals. Some placards read "IMF wants removal of subsidies: no, and "we will survive".

This year's rally was themed 'workers unite for betterment and the integrity of our national borders'. (GNA)

Hoyte Speech

Georgetown GUYANA CHRONICLE in English 4 May 83 p 1

[Text]

VICE-PRESIDENT
Administration.
Desmond Hoyte, has called for collaboration involving all unions, government and socio-economic organisations and for workers of agencies to close ranks, identify problems and agree on a common strategy to cope with these problems.

This was the only way by which Guyanese can preserve the gains which

they have been losing in recent times, he said.

Responding to observations made by union representatives and referring to some placards carried by bauxite union contingents, Cde Hoyte told the Cuffy Square gathering that it was hardly possible for government to divert more of its scarce foreign exchange for spending on imported foods such as wheat

flour.

The bauxite industry, he said was operating at about half its capacity and was not now a net foreign exchange earner.

"The chimneys have been belching smoke and workers have been able to keep their jobs because other exports have been supplying foreign exchange for fuel, machinery and spare parts necessary to keep the industry going," the Vice President pointed out.

"The issue is not between wheaten flour and rice flour but between survival and the worker," Cde Hoyte declared.

He said the real task of the workers and unions at this time is to fall back on the principle of self-reliance — ensuring the development of a firm agriculture base.

The rally, the culmination of a week of activities to mark Labour Week in Linden, was preceded by a parade that began at Stewart Path, Christianburg.

Bauxite workers listening to the Vice-President stood stoically in a downpour, leaning on placards, some of which, among other things, condemned the I.M.F. and criticised the shortage of some medical supplies.

Wheat Deal Disclosure

Georgetown GUYANA CHRONICLE in English 5 May 83 p 3

[Text]

GUYANA, hit by a foreign exchange problem, was attempting to purchase wheat flour on a credit facility offered to developing countries by the United States of America, when this country's application was rejected by the Commodity Credit Corporation.

The reason as to why the country had to do without wheat flour at the time was the CCC's attitude and not any decision of the Guyana Government.

This story was told to thousands of workers by President Forbes Burnham in his May Day address at the National Park.

The President noted that after the country had failed in its attempt to get the credit facility, persons were saying that

Burnham was the cause of the unavailability of the commodity.

"But", said he, "if it were Burnham I would have been proud, for then we would have learnt to stand on our

own."

President Burnham emphasised: "He who depends upon another man for his food is a slave to that man, and he who could not eat what he produces is still a colonial."

According to the President, Guyanese wanted wheat flour, but because there was not the foreign exchange to purchase the wheat, the government decided to seek the credit facility.

At the time the United States had a surplus of grain and had set up a Commodity Credit Corporation through which the developing countries could have bought the grain on a three-year credit.

However, the credit had to be guaranteed by two banks, one in Guyana and the other in New York.

It was arranged that the Chase Manhattan Bank in New York should be the bank in the United States and it was suggested that the Guyana National Co-operative Bank should be the Georgetown bank to issue the Letter of Credit.

But the G.N.C.B. was turned down on the grounds that it was Government-owned.

As a result, the Guyana Government got the Bank of Baroda in Guyana to agree to be the Georgetown counterpart in the credit arrangement.

However, while Guyana was awaiting a favourable answer, the flour mill management disclosed that the Commodity Credit Corporation had decided that there should be no credit to Guyana for wheat, President Burnham explained.

CSO: 3298/627

POLICE OFFICIAL GIVEN NEW COMMAND IN BERBICE DIVISION

Georgetown SUNDAY CHRONICLE in English 8 May 83 p 1

[Text]

DEPUTY Commissioner of Police Balram Raghbir has been given temporary command of the Berbice Division as the Police Service moves to introduce "new approaches to the suppression of crime and criminal tendencies" in Berbice.

In a lengthy statement released yesterday, Commissioner of Police Lloyd Barker explained that over the last few days "Decisions were taken to apply additional law enforcement measures in selected areas in Guyana" and that to this end, some changes have been made

in the management teams of some Police Divisions.

The GNA understands that Cde Raghbir will spearhead investigations into allegations against the Police. In addition concerted efforts will be made to minimise all smuggling of goods across the Guyana-Suriname border and the trading activities associated with such smuggling

In keeping with the additional changes, Senior Superintendent Cummings now based at Suddie will also go to Berbice to assist Cde Raghbir, the Police in Essequibo will get a new

Commander, and Georgetown Division will temporarily benefit from the presence of the input of an Assistant Commissioner who will take new ideas to city policing."

In addition, the Linden community "is also expecting a new Commander in the Police structure there," the Commissioner said in his statement. The names of the senior officers being detailed at Suddie, Linden and in the Georgetown division were not released. (GNA)

CSO: 3298/630

COUNTRY SECTION

GUYANA

BRIEFS

PNC OFFICIAL TO REGION 5--CHAIRMAN of the People's National Congress and Vice-President for Party and State Matters, Cde. Cammie Ramsaroop will commence a three-day visit to Region No. 5 (Mahaica-Berbice) from Friday. On Friday, the Party Chairman will visit the Belmont Stockfeed Plant, the Burma Rice Mills, meet with farmers and workers, and at 17:00 hrs. declare open two projects to mark President Forbes Burnham's 60th birthday. These projects are the Perth Koker and the Basket Plimper Irrigation Canal. On Saturday, Cde. Ramsaroop will hold informal talks with residents of Rosignol and surrounding areas during a visit to the Rosignol market and a visit to the Schemaker's Lust Farm. In his capacity as chairman of the Civil Defence Committee, he will launch a number of regional committees at a public meeting at the Rosignol Primary School. Later he will open a Community Centre building at Ithaca. Concluding his visit on Sunday, Vice-President Ramsaroop will inspect West Berbice rice lands and visit a Party project comprising 400 acres of rice. [Georgetown SUNDAY CHRONICLE in English 1 May 83 p 3]

SPECIAL TUC MEETING--GENERAL Secretary of the Guyana Trades Union Congress (TUC) Cde. Joseph Pollydore is to summon a special meeting of the General Council of the organisation to discuss the May Week celebrations and matters relating to May Day. At the meeting the Council will discuss a number of other matters affecting workers. [Georgetown GUYANA CHRONICLE in English 6 May 83 p 1]

CSO: 3298/630

SEAGA ANSWERS CRITICS IN CLOSING DEBATE ON BUDGET**Funds for Banks**

Kingston THE DAILY GLEANER in English 19 May 83 pp 1, 13

[Text] GOVERNMENT HAS DECIDED to increase the liquidity in the banking system by releasing approximately \$60 million into the system which will be available for lending. Of this amount, \$20 million will become available for investment in the agricultural sector.

Prime Minister Edward Seaga announced this last night as he closed the 1983/84 Budget Debate during which he answered criticisms made by the Opposition about the Government's dependency and consumerism model of development, and charged that the Opposition was seeking to create economic dependence among the people with a view to shackling them. He also said that, if given the chance, the Opposition would pursue the same policies again which had led to economic deprivation and hardships, rather than the revolutionary military approach, to make the people dependent on them.

Commenting on the view expressed by the Opposition spokesman on Finance, Mr. Mullings, that the targets set by the Government could not be achieved because they were unrealistic, Mr. Seaga said that when the current I.M.F. agreement was framed it was not done against the background of a recession, but in a world in which positive indications suggested that buoyancy could be expected.

Because of the recession and the decline in bauxite production, there had been a marked decrease in the flow of revenues which had an impact on the non-traditional sector which had shown incremental increase of \$134 million over the past two years but now was at \$94 million.

Mr. Seaga said that the 10 percent for overall deficit has had to be postponed to Year Five rather than Year Three because of the same factors.

He said that the slippage in revenues over the past two years amounted to \$146 million. If there had been no such slippage in bauxite/alumina supply, and production had remained flat, that \$146 million extra would have more than adequately met the 10 percent deficit.

Turning to the Government's de-regulations policy which was also criticised by the Opposition, Mr. Seaga said that the policy opened the market-place by the relaxation of imports controls. However, he added, steps have to be taken this year to curtail the extent to which it was open, since local manufacturers were suffering losses in production and there was also adverse effects in the labour force.

Stating that de-regulation assisted the consumer, Mr. Seaga said that opening up the market-place allowed for more competition, minimised price increases and eliminated the black market.

"It assists the consumers, the small shop-keepers and the small businesses," the Prime Minister said; and he mentioned that 14,000 shops which had been closed under the former Government were now opened again.

On the point that de-regulation was harmful to the small farmers, Mr. Seaga said that in the days when there were food controls during 1979-1980 small farmers' production declined by 6 percent and 9 percent respectively.

He also gave figures to show how de-regulation had helped the consumer, instancing that for the period 1981/83 there were no increase in kerosene oil, rice, flour, chicken neck and back, among other items; but that during the period 1978-1980 kerosene oil increased by 216.7 percent, flour 63.6 percent, rice 51.6 percent and chicken neck and back ("the poor man's food") by 26.3 percent.

Turning to Housing, the Prime Minister said that the figures used by the Leader of the Opposition from the Social and Economic Survey were calendar year figures and the ones that he (the Prime Minister) used were fiscal figures, and that this figures related to housing in the public and private sectors.

While the former Government used the National Housing Trust as their "flagship" for building 4,000 houses annually, the present Government would be building 12,000 annually--three times as much.

So far, the NHT had built 2,221 units, while the build-on-own-land units constituted 256, Ministry of Agriculture 496, National Housing Corporation 60, UDC 63, and the Ministry of Construction 3,966' with 556 by the private sector, in Kingston and St. Andrew and the rural areas which added up to 7,728 units.

This year, he said, the target was 10,043, with the Ministry of Construction responsible for 3,513, NHT 3,926, Ministry of Agriculture 500, Local Government 150, various public construction agencies 725, and 1,029 from the private sector.

He said that the financial resources for building the public-sector houses was \$191 million which was already in place. "If there is a weakness, it will be with the private sector whose target is \$144 million, but who have identified a gap of \$81 million, which I have no doubt can be made up from additional areas," he said.

The Prime Minister said that this was the first time that any Government in Jamaica had decided to build sufficient houses to enable to keep up with current demand and to catch up with the backlog.

Report on Speech in House

Kingston THE DAILY GLEANER in English 20 May 83 p 24

[Text]

Following is the concluding portion of the report of the speech by the Prime Minister, the Rt. Hon. Edward Seaga, in the House of Representatives on Wednesday night, as he closed the debate on the 1983/84 Budget, by answering some of the criticisms made by the Opposition during the debate:

Dealing with the Government's divestment policy, the Prime Minister said that the Government had never given any undertaking to divest all the enterprises that the Government owned, or to acquire any. "We are a pragmatic Government; if we have to acquire something in the national interest we will do so, and we will divest those which are not in the national interest," he said.

Seven hotels had been leased, another five were up for divestment, and before the Divestment Committee were 98 different enterprises; and to go before the Committee were another 5 enterprises.

Mr. Seaga said that the Esso Oil Refinery was one such acquisition in the national interest. "If we had not acquired it, we would have been paying a higher price today for all petroleum products," he said. He mentioned some of the benefits that the country was getting as owners of the refinery, such as a cheaper form of crude oil, and said that the possibility existed for the refinery not only to process crude, but also to export.

Some 23,000 barrels a day were being processed, with a target set for 30,000, and markets would be sought for the additional 7,000, — "and indeed we have started exporting already, which could not be possible under the former owners".

Turning to Tourism, the Prime Minister said that that a target of 912,000 visitors a year had been set to be achieved by 1985. But it was set with certain reservations, he added. If nothing happened to "scare the tourists away, we are confident that we will break the one million mark by 1985," he said.

On the point of under-expenditure of \$330 million — another Opposition criticism — the Prime Minister quoted figures to show that there was no marked departure from previous Budgets. He said that in 1979/80 under-expenditure of the total Budget was 14.2 percent, 1980/81 7.8 percent, 1981/82 16 percent and 1982/83 14 percent.

Dealing with the Budget being on target, Mr. Seaga said that the Government started with a total Budget of \$2.771 billion and ended up with a total expenditure of \$2.727 billion, \$44 million less or 1.5 percent of the Budget.

On the reduction in allocation to the Ministry of Local Government, which was also criticised by the Opposition, Mr. Seaga said that the capital estimates

showed a steep reduction from \$56.8 million in 1982 to \$18.7 million in 1983, but the provisions would be revised by \$16.2 million, bringing the total of that Ministry to \$34.9 million.

Turning to trade, Mr. Seaga said that it was logical that there would be an increased trade deficit, because exports have not grown over the past 3 years. "We are still roughly at the same \$600 million of export earnings where we were two years ago," he said.

For this reason, he said, the Government had moved to make adjustments in the import budget. In 1980, it was 1.1 billion, moving to \$1.4 billion in 1981 and in 1982 it was \$1.3 billion. This year, it would show even less than \$1.3 billion, and at the same time incentives had been provided to boost exports. He made the point, however, that the trade deficit did not take into account invisible earnings like those from Tourism.

Dismissing the view by the Opposition that food imports were higher, Mr. Seaga said that in 1980 the Jamaica Commodity Trading Company imported \$63 million in basic food. The figure rose to US\$69 million, or a 15 percent increase, over two years.

This could not have any great effect on small farmers because during the years when consumers could not get most of these imported items, the small farmers production declined.

He said also that of the \$45 million increase in the non-food category, \$37 million was for drugs and motor vehicles parts, and not for luxury items.

Dealing with another criticism about "parallel management", the Prime Minister said that current vacancies in the Civil Service in various professional categories were 521 which could not be filled. He said that the Government, in keeping with the basic understanding that capital alone could not increase progress, had sought temporary help to give the country the skill base on which to develop its programmes.

He said that 40 persons had been recruited through the World Bank and the Inter-American Development Bank to assist in areas where a study had shown that there were 228 long-standing vacancies in the Government service.

During the years 1977/80 the country had trained 16,330 persons, of whom 9,486 had migrated. In the skilled and semi-skilled category, 16,820 were trained and from this amount 9,102 had migrated. During the period the country spent \$347 million on training from which most of the people migrated to North America; and the country received \$263 million in aid during the same period.

On CARICOM, the Prime Minister said that when the former Government brought in the dual rate of exchange there were no dialogue with their CARICOM partners. He said that the present Government had done exactly what was done before, but the response was different. He spoke of the recent agreement reached, which he added would be revised in the next six months.

MANLEY, AT PNP PRESS CONFERENCE, DISPUTES GOVERNMENT ON HOUSING

Kingston THE DAILY GLEANER in English 19 May 83 p 6

[Text]

Opposition Leader, Mr. Michael Manley on Monday challenged the Government's claim that some 7,000 houses were built in 1982. Only 1,898 houses were built by Government in that year, he said.

Mr. Manley was speaking at a press conference at the PNP headquarters, Old Hope Road, Kingston, and drew reference to the statement on housing made by Prime Minister, the Rt. Hon. Edward Seaga in the budget debate. He cited section 12 of the Government's publication, *Economic and Social Surveys 1982*, dealing with housing.

He pointed out that according to the publication the Government had built 5,019 houses with 1,210 units constructed by the private sector for the year. He noted that even when these two figures were added together, the number would be short by over 700 based on the Prime Minister's statement.

Out of the 5,019 houses Mr. Manley said 3,121 of them were listed under a heading Sugar Industry Housing with a sub-heading Ministry of Construction's Start-a-

Home project. He charged that the Prime Minister in his budget presentation had included over 3,000 houses of the Start-a-Home project in his total while adding another 2,000 to get him up to 7,000.

He explained that the Start-a-Home project was the same concept as the Sites and Services project which the PNP administration had not counted as part of what it had built, since they were incomplete units. Mr. Manley stated that incomplete units at the Marcus Garvey Drive site, Kingston, and Catherine Hall, Montego Bay, all of which were started by the PNP in 1979 - were equipped with bathroom fittings and roofs and counted as completed units even though the foundation and walls were already in place.

The Opposition Leader charged that based on the Government's own publication, only 1,898 houses were built last year, while 3,121 units which had been started by the PNP, were completed and counted as new units. The over

1,210 private sector constructed houses were also added to the total, he charged.

Mr. Manley also accused the Government of "inventing over 700 houses that never existed in any form whatsoever and called that the building of 7,000 units". He said it was pointless for Government to publish books that gave inaccurate figures and noted that if such was the case the publication should be corrected. "What the Prime Minister has said is a gross misleading of the people", he concluded.

Also present at the press conference was PNP General Secretary, Dr. Paul Robertson.

CSO: 3298/631

BILL IMPOSES STIFF PENALTIES FOR FOREIGN EXCHANGE BREACHES

Kingston THE DAILY GLEANER in English 20 May 83 pp 1, 24

[Excerpt] STIFF PENALTIES of up to five years imprisonment or a maximum fine of \$50,000 for offences involving failure to make appropriate returns of foreign exchange in the tourist industry are prescribed by a Bill amending the Exchange Control Act which was approved in the House of Representatives on Wednesday.

Entitled an Act to Amend the Exchange Control Act, the Bill, which was taken through the House by the Prime Minister and Minister of Finance, the Rt. Hon. Edward Seaga, "seeks to amend the Exchange Control Act in order to give the Minister additional powers to regulate the tourist industry with a view to minimising the foreign exchange leakages from the industry," Mr. Seaga told the House.

It also "creates a classification of a "tourist service" and gives the Minister power to control the activities of persons operating or maintaining such a service".

Mr. Seaga said--and the Opposition through its spokesman on Finance, and Business leader in the House, Mr. Seymour Mullings, agreed--that the penalties were severe but necessary.

According to the Bill, in relation to a tourist service, a person operating or maintaining a tourist service who, without reasonable excuse, fails or refuses to comply with the provisions of Section 47 or Section 48 or to embody in any return such information to the Minister may require shall be guilty of an offence.

"Any person operating or maintaining a tourist service who knowingly or recklessly "makes, or causes to be made, any false or misleading returns or declarations whether oral or in writing or (b) uses, or causes to be made, any alterations or falsification of any document after that document has been officially issued pursuant to this Act shall be guilty of an offence," the Bill says.

CSO: 3298/631

PHOTOGRAPHS ADD TO EVIDENCE OF UCHURACCAY MURDERS

Lima OIGA in Spanish 23 May 83 pp 13-17

[Text] The finding of a camera which belonged to Willy Retto and which contained a roll of color film, along with the documents of several of the eight journalists who were massacred on 26 January, has given an unexpected and sensational turn to this case which has aroused emotions in Peru and elsewhere in the world.

When the roll of color film in Willy Retto's camera was developed in the course of a court proceeding last Friday in Lima, it provided access to horrifying evidence of how the murder of the eight journalists really took place.

The photographs made public on Saturday, which OIGA is carrying in this issue, were taken by Oscar Retto, Willy's father, while the slides were being projected during the above-mentioned court proceeding. The three photographs, out of a total of nine contained in the roll which was found, all of them pertaining to the moment at which the journalists were stopped by Uchuraccay villagers, speak for themselves, and in this case the aphorism which says that a picture is worth a thousand words is truer than ever.

Also last Friday, in a statement which will doubtless raise a considerable outcry and lead to many conjectures, particularly in the leftist sectors which have devoted themselves since the massacre occurred to an effort to prove that members of the forces of law and order participated in it, Oscar Retto said that in one of the photographs, "one could see an individual wearing a blue shirt with white stripes."

Retto was speaking of one of the three photographs he was able to take from the projection screen (published by OIGA on p 12), in which one can see what might be, although the black-and-white photographs are not entirely clear, either the shirt or the coat of one of the journalists who were intercepted. It is hard to believe that the individual seen in the photograph to which the father of Willy Retto referred was an infiltrated police agent, since the mere existence of the roll of film would argue against it, and this could be instead an error in interpretation. This point is likely to be clarified in the coming days.

What do the three photographs published reveal? The views show the group of journalists at the time they were detained by the Iquichano villagers, and

visibly flustered, were trying to explain their status as newsmen and not terrorists. The guide, Juan Argumedo, can be seen with his back to the camera, hands raised as a signal of surrender. Photographer Jorge Sedano is seen on his knees, with his case open, showing his camera equipment to the villagers. The individuals who intercepted the journalists were wearing typical costumes of the region, and they included a woman who seemingly played a leading role in this scene, something which is indeed not unusual in the Andean world.

In another photograph, one can glimpse at a certain distance an Iquichano with a sling in his hand and his face distorted by a sizable lump of coca. At a still greater distance, one can see a number of peasants posted in organized fashion in the heights, moving toward the journalists.

One can conclude from the photographs that the newsmen were forced to surrender their camera equipment, which can be seen piled on the ground. (A part of this equipment was to be turned over to the military authorities later. The rest was buried, as the finding of Willy Retto's Minolta proves.)

Previous Dialogue

[Question] What is the first conclusion which can be derived from the photographs taken by Retto?

[Answer] Without any doubt, it was Uchuraccay villagers who murdered the journalists. On the other hand, the explanation accepted by a large part of the public, to the effect that the journalists were attacked by the peasants in a surprise move, without previous discussion, having been mistaken for terrorists, has collapsed entirely.

On this last point, it is interesting to consider the assessment by the investigation commission made up of Vargas Llosa, Castro Arenas and Guzman Figueroa. The thesis of a surprise attack was even accepted as a possibility by the commission. Its members came to "the relative conviction" that the journalists were attacked unexpectedly and massively "without any prior discussion being involved."

However, the commission later established in its report that one cannot exclude the possibility either that there was an effort at discussion, which was useless "due to the excessive suspicion, panic and anger on the part of the villagers, or some unwise statement or error made in the course of the talks by the journalists, serving to aggravate instead of to alleviate the misunderstanding."

In fact, the pictures show conclusively that there was indeed discussion, and that in addition, the villagers had the opportunity to establish that the journalists were unarmed and that they had not come to the Uchuraccay heights with aggressive intent. This is the more certain since they had access to explanations about the identity of the strangers from the lips of the guide Argumedo and three of the journalists--Octavio Infante, Felix Gavilan and Amador Garcia--who spoke Quechua.

In view of the new instrumental evidence obtained by ad hoc judge Juan Flores during the visual inspection made last week in Uchuraccay, the explanation published by OIGA in January seemed more probable. On that occasion, a photographer speaking Quechua who accompanied the judge who made the first court investigation in Uchuraccay revealed that the villagers had said that they had at first seized the journalists and had taken them under close guard to their community. There, in a communal assembly, they had decided to execute them.

[Question] How can this drastic and bloody decision on the part of the villagers be explained?

[Answer] The investigation commission itself gave us a reasonable explanation about the unusual state of mind which prevailed at that time--and even now--among the peasants in this region, who are involved in a struggle to the death with the terrorists. Tired of the abuses and the systematic tributes exacted by the Senderists, the villagers had killed five of them some days earlier. They feared that they would be the focus of vengeful attacks and were on the alert for any attack. As the commission said, the villagers constituted a group "inflamed with fear and anger mixed together, and inspired to a ferocity unusual in their daily life or under normal circumstances."

There is a basis for thinking, although not as yet justifying any "absolute conviction," that the villagers chose to execute the eight journalists due to their fear that, through their photographs or reports, they themselves might be identified as those responsible for the death of the terrorists, resulting in punishment by that group. At least this is a line of reasoning which the "varayoc" and the most thoughtful leaders of the community, who in the final analysis direct it, might pursue.

How the Roll of Film Was Found

Willy Retto, a photographer for EL OBSERVADOR, carried out his duty as a journalist to the end of his short life. When the journalists were detained by the Uchuraccay villagers, Retto used his camera to record what would be the final incidents in a news assignment which ended in a terrifying drama.

His camera, which the villagers had seized, was probably found on Wednesday, 11 May, according to what our correspondent in Ayacucho, Mario Cueto Cardenas, was able to learn.

It was found as a result of the trip made to Uchuraccay by the ad hoc judge, Juan Flores Rojas, and the deputy prosecutor, Clever Sacha, who traveled to the zone with an escort made up of combined naval, civil guard and PIP [Peruvian Investigative Police] personnel.

They made the trip on foot by the Tambo route. On Monday, 9 May, they reached the Iquicha community, and then set off from there toward Uchuraccay.

The forces assigned to protect the court authorities were divided into three groups. The first had the task of protecting the judge and the prosecutor during the interrogations, and was made up of naval personnel.

Judge Flores and Prosecutor Sacha interrogated Dionisio Ccenter Aucatoma and Dionisio Morales Perez. When, as a result of the investigation, the judge ordered Ccenter Aucatoma arrested for involvement with the massacre, the community reacted violently and approached the authorities threateningly. The members of the escort group raised their weapons and, on the orders of the officer in command, fired a number of initial shots into the air to discourage the enraged peasants. But the warning was ineffective, and the villagers continued to advance, uttering threats in Quechua. It was then that the security forces fired at the mob. One bullet struck a minor, Clemencia Ccenter (15), causing his death.

The hostility of the villagers was aggravated by the killing of this young person, and the security forces, concerned with the continuing protection of the court authorities, decided to depart from Uchuraccay. It was not possible to arrest Dionisio Ccenter.

Camera Found by Second Expedition

Meanwhile, a second group made up of PIP personnel was dispatched with the task of finding where the guide, Juan Argumedo, was buried. Members of this group discovered the grave dug in a hillside in the locality of Huashuaccasa, located in the Uchuraccay area, containing personal possessions and documents which had belonged to several of the murdered journalists, including a Minolta camera, marked with the number 4202368, with a telephoto lens and containing a role of color film, 12 roles of black and white film, one damaged, as well as the identity documents of Willy Retto, Pedro Sanchez, and the guide, Argumedo. In Retto's camera was a roll of color film which, it was found when the film was brought to Lima by the ad hoc deputy prosecutor, Luis Carrera, and was developed, provided evidence of the massacre.

Two of the rolls of black and white film were developed in Ayacucho by photographic experts appointed by the judge. However, they cast no light on these bloody events. One had not been exposed and the other only contained views of women and children in the streets of Ayacucho.

The third group made up of civil guards, for its part, found a grave in the Uchuraccay cemetery, which may have been that of Argumedo, although no identifying items were found.

[Question] And what will the courts do now?

[Answer] Retto's photographs made it possible to identify at least two of those presumed responsible for the massacre, who must certainly be in hiding by now, along with Ccenter, in the steep ravines of the bleak Ayachuca plateau.

The courts will have to play out their role, continuing the investigation, with further information now available, in order to clarify the facts and to punish those responsible for the savage murder of eight Peruvian journalists.

Parallel with this court process, a profound discussion must develop among professionals in the field of law and other social disciplines concerning the blame which should or should not be placed on the Uchuraccay villagers, who live in a different and almost primitive world, and for whom the "Western and Christian" laws of Peru are alien and beyond understanding.

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CSO: 3348/424

COUNTRY SECTION

ST LUCIA

BRIEFS

PLP IN SOCIALIST INTERNATIONAL--CASTRIES, St. Lucia, Monday (CANA)--The small Opposition Progressive Labour Party (PLP) of St. Lucia has been accepted as a member of Socialist International. Notice of the acceptance was conveyed to party leader George Odlum by Brent Carlsson, the organisation's general secretary. Carlsson said that the PLP's application for consultative membership was approved by the Congress of Socialist International held last month. The PLP, an off-shoot of the official Opposition St. Lucia Labour Party (SLP), controls one seat in the 17-member House of Assembly here. The president of Socialist International is former West German Chancellor Willy Brandt. Jamaica's Opposition Leader Michael Manley is an honorary President. [Bridge-town BARBADOS ADVOCATE in English 17 May 83 p 3]

CSO: 3298/632

PAPER AFFIRMS ITS INDEPENDENCE, ASSAILS U.S. POLICY

Kingstown THE VINCENTIAN in English 13 May 83 p 4

[Editorial]

[Text]

We would like to make it clear that The Vincentian does not subscribe to the current US policy of intervention in another state, to suppress, or rather try to suppress, an ideology which it fears. Lest what we say be twisted into connivance with the moral issue of intervention, we will not expand on the failures that the United States has been forced to accept in a number of cases, in this aspect of its policy. Failure or success, intervention is wrong. Every country must work out its own salvation. The wealth or military power of one nation should not decide the fate of another. Intervention for ideological and joint economic reasons has been, and is, far too frequent by both the Americans and Soviets.

In free enterprise economies the problem is of course extremely difficult - especially in the case of the supply of arms to any side in a contest. Unless control of arms manufacture is to be taken over by governments , it is difficult to see how the filling of orders for arms can be severely contained. What governments of free enterprise countries could do is prevent taxpayers' money as such from financing the wars and ideological contentions of foreign States.

As we have said repeatedly the Somosa regime in Nicaragua was a frightful thing. We fail to see how any kind of a state government with any morals or any humanity in his soul could seek to make it possible for such a type of regime to return to power. On the other hand, if the American authorities are convinced that the Sandinista government is itself guilty of the violation of, human rights , finances to support it should be withheld. Neither the CIA, American troops nor military advisers should be present in a sensitive area. The advice should be confined to diplomacy conducted outside the area. The same of course goes for representatives of the rival ideology - the Soviets and Cubans.

EI Salvador should be equally taboo as far as either a United States or a Soviet Cuban presence is concerned.

The attempts being made to imply that The Vincentian is prepared to support US policy in toto in a slavish manner is dishonest. We have condemned among other

things home institutions like the Ku-Klux-Klan and external policies like retention of the Guantanamo Bay base in Cuba.

However we must admit to a preference for a non-totalitarian ideology regardless of whatever numerous faults it may have. The main reason is a desire to retain personal freedom, freedom of the press, the protection against unsubstantiated arrest and imprisonment and the ultimate power of the electorate.

The Vincentian can criticise both the government and individuals within it at will, once we do not break the nation's Laws, against treason, libel and slander in so doing. The same applies to any citizen. Laws relating to false arrest and habeas corpus protect nationals from detention without due cause, and the electorate after suffering with an unsavoury government for a certain period can throw it out at the polls.

We are acutely and sadly aware of the social injustices that are rampant in the United States from time to time. When the Jews were in bad odour, for example, personal friends who had taken up residence in that great "Land of the Free" changed their names to escape discrimination! Still the prejudices did not go as far as the furnaces, like Hitler's did.

Further, to what country do those massive numbers of boat people head from Cuba, Haiti, Vietnam, what have you? Surely the answer is the U.S.A. not the Soviet Union!

When we denounce the current Grenada regime, we denounce it on its own policies. We see no reason why we should be called upon to justify what we regard as detestable by linking it with certain detestable policies involving war-mongering by the present U.S. President.

Two wrongs don't make a right. Millions of Americans object to Reagan's policies. Their representatives in Congress and the Senate certainly exercise a check on him. In another two years or so the people will have the opportunity of throwing him out.

It is quite simple to explain the reason for The Vincentian's attitude. In a nutshell it is a desire for a combination of preservation of the individuals' freedom and the opportunity to correct a mistake in a choice of government.

CSO: 3298/633

NATIONAL MOVEMENT LEADER CHARGES MEETINGS ARE DISRUPTED

Kingstown THE VINCENTIAN in English 13 May 83 p 1

[Text]

A disturbing case of unseemly behaviour by the Attorney General of St Vincent and the Grenadines has been reported to us by Stanley Quammie We quote

On Friday, 13th May 1983, the St. Vincent and the Grenadines National Movement (S.N.M.) journeyed into Vermont to hold its first public meeting in this area. The ten public meetings held so far by the S.N.M. in other places proceeded with the same welcoming reception, until, that is, a van with a number of persons arrived on the scene, and further, until a well-known local fellow citizen from Vermont began to speak to the gathering. To the astonishment of everyone, the representative of that Constituency, who holds the post of Attorney General in this country, started to shout remarks at the speakers about a member of the S.N.M. Executive and the common law wife of the speaker.

The provocative remarks could easily have led to a breach of the peace. When examples like this are set in the community by persons who should know and do better, how can other persons be expected to be penalised for following the behaviour of those who set themselves as leaders of

the society?

Is this the kind of representative St. Vincent wants? When Ministers of Government, and particularly the Attorney General, behave in a way

which defies the law and order rule it is more than apparent that the chance for which Vincentians are calling is more than overdue. At times reason is insufficient to deter some men from acts of madness.

S.N.M. does not propose an election campaign of incitement either to violence or breaches of the peace but S.N.M. will not retreat where democracy is threatened. Either the Attorney General behaves as is befitting to his office, or, if he feels unable to do so, relinquish his post. Hurting slanderous remarks at persons in a public meeting is not behaviour befitting an Attorney General.

The Attorney General was scheduled to address a meeting held by the South Leeward Health Team at Layou earlier that same afternoon but absented himself. Where was the Attorney General that he could not fulfil his public commitments?

Stanley M. Quammie,
Executive Secretary,
S.N.M.

OIL WORKERS UNION, GOVERNMENT FOCUS ON UNEMPLOYMENT ISSUES

Manning Remarks

Bridgetown THE NATION in English 13 May 83 p 7

[Text]

PORT-OF-SPAIN, Trinidad — Minister of Energy and Natural Resources, Patrick Manning, has told businessmen in San Fernando, Trinidad and Tobago's second largest town, that reducing their labour force is not the answer to problems besetting the national economy.

"The big question is how do we as responsible business people cope with the problems associated with the recession. Retrenchment is not the answer," Manning told the annual general meeting of the southern division of the Trinidad and Tobago Chamber of Industry and Commerce.

He added: "Do not for one moment believe that in a situation such as we are facing today that survival stems from the reduction of the labour force. You should seriously consider the social effects that retrenchment on any large scale will have on

the society."

Hundreds of workers, mainly in the key petroleum sector, have been retrenched here in recent months against the backdrop of a downturn in the Trinidad and Tobago economy. The oil sector, on which government depends for the bulk of its revenue earnings, has been hardest hit.

The downturn in the economy was reflected in a \$521.1 million balance of payments deficit in 1982, the first in nearly ten years of oil-fuelled prosperity.

Manning told the businessmen that the recession was only temporary, and Trinidad and Tobago was poised to be in "a very advantageous position" when the turn-around came unlike other oil-producing countries like Mexico, Venezuela and Brazil, which were immersed in heavy debt. (CANA)

Charge of Texaco Shutdown

Port-of-Spain TRINIDAD GUARDIAN in English 13 May 83 p 1

[Article by Mikey Mahabir]

[Text]

THE OILFIELD Workers Trade Union has charged that Texaco is closing down its Brighton operations where 200 people are employed.

Union president George Weekes said yesterday the company was contemplating massive relocations and certain places such as Brighton

would be closed down.

In a meeting with Texaco's general manager Lloyd Austin at Paramount Building on Wednesday, Mr Weekes said he viewed those plans as not just affecting the union but the whole country.

A Texaco spokesman said last night that out of necessity, there

would be some relocation and restructuring of the company's operations as a result of the new retirement plan.

"We have, however, done some advance planning in this area and we except that the changes will have minimal effect and we do not see massive relocation."

Texaco has already closed down its citrus plantation at Brighton in addition to it Star Farm at Pointe-a-Pierre.

At Wednesday's meeting the OWTU and Mr Austin discussed a number of matters arising out of the memorandum of agreement (April 15, 1983) for early retirement of some 800 workers at the company.

The meeting was called at the request of the union and one of the major items discussed dealt with

the proposed re-organisation planned by the company.

Mr. Weekes, in a statement issued yesterday recalled that when the early retirement issue was settled the company's general manager indicated that they intended to introduce a re-organisation of its personnel. Subsequently, at a meeting with the union, they informed executives and branch officers of some of its proposals.

According to the company, massive relocations are planned and in certain places entire operations (e.g. at Brighton) are to be virtually closed down," the union statement said.

"The company indicated that it has not done so" said the union.

Call for Wage Freeze

Port-of-Spain TRINIDAD GUARDIAN in English 14 May 83 p 1

[Text]

TWO large oil servicing companies in South Trinidad are calling for a wage freeze.

But their unionised workers represented by the Oilfields Workers Trade Union (OWTU), is strenuously resisting the move by Halliburton (Trinidad) Ltd and Tidewater Marine (West Indies) Ltd.

The two firms approached the OWTU and requested the union to accept a wage freeze in the third year of their industrial contract.

The union's reply was one word "No," first vice president Errol McLeod said.

The OWTU has invited Labour Minister Errol Mahabir to intervene in the matter, the first in which a call has been made for a wage freeze.

Mr. Mc Leod, after holding discussions with the firm, despatched a letter on Wednesday to Mr. Mahabir informing him of the situation and asking him to intervene, in his capacity as both Labour Minister and head of the inter-ministerial team examining the oil industry.

Halliburton and Tidewater are doing work for Amoco at Point Galeota. Halliburton employs about 100 workers and Tidewater about 170.

According to the industrial contract a third year increase of eight per cent will become effective from June 1, 1983 for the workers of Halliburton while May 18, 1983 is the effective date for the workers of Tidewater and they, too are due to receive an eight per cent increase.

Officials of boths firms could not be contacted for comment yesterday.

TOBAGO EXPLAINS MOTIVES IN ADOPTING ITS OWN SCHOOL PLAN

Dimensions of Feeding Program

Port-of-Spain SUNDAY GUARDIAN in English 15 May 83 pp 1, 14

[Excerpts]

THE TOBAGO House of Assembly will launch its School Feeding Programme in September at the start of the new school year. It hopes to feed 2,900 children from three areas.

The programme is being established at a cost of \$4.5 million and will cater for children from 17 schools located at Bon Accord and Mason Hall, seven each, and Charlotteville, three.

At Bon Accord, it is expected that 1,605 children will receive free lunches daily, while at Mason Hall, 1,442 will be fed and 533 at Charlotteville.

Members of the Assembly's School Feeding Committee, which includes three school teachers with "the necessary experience who have been assigned to the Assembly for the project, are at the moment finalising discussions with the National School Nutrition Company to have the programme launched in September.

The decision of Tobago to run its own School Feeding Programme instead of having the School Nutrition Company do the job for it was influenced by the fact that the Tobago House of Assembly Act which gave the island control over its own affairs, specifically makes provision for the programme.

Section 21 (2) of the Act provides for "the financing and administering of the School Feeding Programme," and the Assembly, controlled by the Democratic Action Congress, in electing to go it alone in the matter, felt that it had to fulfil its obligations under the Act.

The Assembly also took into consideration the fact that agriculture and marketing in the island are directly under the Assembly "and can be easily linked with the programme."

Speaking to the SUNDAY GUARDIAN yesterday, both Mr. Nicholson and Miss Solomon stressed the importance of this aspect. "Farmers in Tobago will be given more incentive to produce food and so increase productivity", they said.

At present, farming in the island, particularly in the production of food crops, is on the wain, explained Mr. Nicholson, and he, like many other responsible sources in the island, and indeed the nation, have blamed DEWD for attracting workers away from agriculture.

"Who wants to work in agriculture now when they can get \$80 a day and more for working on DEWD for two and three hours a day?" asked Mr. Nicholson.

However, with a ready market available through the feeding programme, it is hoped that Tobago farmers would find it profitable to return to food crops.

URBAN AREAS

Another influencing fact in the "go it alone" decision was, according to the organising committee, that "qualified people in Tobago would have a better chance of holding top post in the programme.

"A large number of Tobagonians in Tobago would hold jobs," said the committee. "This will be an opportunity for Tobagonians to manage their affairs."

Set to go as it is in September, the School Feeding Committee is already looking further ahead. It is talking about programmes for Scarborough and Roxborough, two of the main urban areas in the island.

Tobago Brain Drain

Port-of-Spain TRINIDAD GUARDIAN in English 16 May 83 p 1

[Text] TOBAGO has suffered a brain drain to Trinidad to extent that there are now living in Trinidad almost as many Tobagonians as there are in Tobago.

And according to Housing Minister Senator Wendel Mottley, this had deprived Tobago of much needed talent for its development.

The Minister made the remarks on Saturday afternoon when he turned the sod to start construction of 46 housing units for public officers assigned by the Government to work in Tobago.

The houses are being built at Signal Hill at a cost of \$5.5 million and are expected to be completed by mid-next year.

The ceremony, which attracted a small gathering of Tobago VIPs was boycotted by Mr. A. N. R. Robinson, Chairman of the Tobago House of Assembly and other Democratic Action Congress members of the Assembly.

The boycott was to protest the use of the Signal Hill site for the housing scheme.

The Assembly wanted Signal Hill for education facilities which, according to an Assembly source, would have served all the people of Tobago instead of just an elite group of public servants.

But Senator Mottley said that Tobago's needs for qualified professional and technical staff influenced the Government to launch the project.

Tobago, he said, has a population of about 40,000 less than greater Diego Martin in Trinidad.

But there are an estimated 30,000 Tobago-born citizens resident in Trinidad.

Best Talent

"Many of these citizens represent the best talent available to our Republic. "As a government, we were therefore conscious of the peculiar need of Tobago to attract to its service competent professional and technical officers who might authorise have been lost to it."

"The first phase of the project will provide 20 one bedroom units, 14 two-bedroom town houses, eight three-bedroom family units and four three-bedroom cluster houses."

The second phase is to involve the construction of 69 units making a total of 115 housing units in the overall programme.

Infrastructure costs, he said, amounted to \$4.4 million and involved the building of 1.2 kilometres of roads, car parks sewerage facilities, water mains and drainage and grading of lots.

The sewerage treatment plant would also serve the surrounding Government buildings including a National Housing Authority project to be constructed nearby.

The project would also serve the ordinary people of Tobago when they do move into the NHA houses.

CSO: 3298/635

POLICE ACT AS INFLUX OF WEAPONS CAUSES CONCERN**Gun-Renting Racket**

Bridgetown BARBADOS ADVOCATE in English 14 May 83 p 3

[Text] PORT-OF-SPAIN, Trinidad, Friday (CANA)--Police in Trinidad and Tobago believe owners of illegal firearms are renting their guns to criminals in return for a share of robbery proceeds, according to Press reports here.

The Guardian newspaper said that during the past few weeks, the police had found criminals with sophisticated guns they said they had rented from people who had firearms smuggled into the country.

For renting guns with ammunition, the paper said, the owners collected either part of the loot or cash.

It quoted Police Commissioner Randolph Burroughs as saying he was disturbed over the frequency with which magnums (one of the world's most powerful handguns) were used in local robberies.

In talks held with the court superintendent, Mr. Burroughs recommended that all cases in which arms and ammunition were used should be tried indictably, that is, by a judge and jury, rather than before a magistrate.

The Commissioner of Police felt this would inhibit the illegal use of arms and ammunition for criminal purposes since in indictable matters the penalty was stiffer than if heard summarily in a magistrate's court.

Police Raid

Port-of-Spain TRINIDAD GUARDIAN in English 14 May 83 p 1

[Text] A SUB-MACHINE pistol of the kind generally used in military warfare was seized from a home at Mocoya Gardens, Tunapuna, during a police raid on Thursday night. The 9mm submachine pistol and 167 rounds of ammunition are among a quantity of sophisticated weapons that have been found by Police over the past few days.

The firearms were seized during an islandwide operation, code-named "Stop the Bandit" and mounted by the Commissioner of Police, Mr Randolph Burroughs.

In the Tunapuna raid a man was detained for questioning by the Police. Several more have been charged with offences ranging from murder to armed robbery in the other police operations.

Mr Burroughs said yesterday that the weapons seized over the past few days were among the most sophisticated small arms in the world and should be a cause for concern to citizens in this country. The other dangerous firearms found are a .357 magnum revolver, a 9 mm pistol and a biretta. A walkie talkie has also been seized.

Area of Concern

Only last week the Commissioner advised divisional officers and court superintendents that court matters involving unlawful possession of unlicensed firearms should proceed as laid. He said that although firearm offences were often laid indictably the Police sometimes elected summary trial in order to expedite cases.

In indictable matters the accused must go before a judge and jury in the High Courts and if convicted the penalty imposed is more severe. The maximum sentence for such offences at the magistrates court is two years imprisonment.

"Firearms like these could only be used for criminal acts and terrorism;" the Commissioner said as he pointed to the number of weapons found by the Police.

The surprise discovery of an ultra-modern walkie-talkie has been another area of concern to the Police. When it was seized it was serviceable and equipped with batteries. The Police believe that the instrument is being used by criminals as a means of communication, which could retard the progress of police operations. Mr Burroughs has met with the Comptroller of Customs and the Commander of the Coast Guard to discuss the situation and work out strategies.

PHOTO CAPTIONS

POLICE seized a nine millimetre submachine gun during a raid on a house at Macoya Gardens, Tunapuna, on Thursday night. The lawmen also seized 167 rounds of assorted ammunition in that raid. Also that night a biretta pistol was seized in St. James. One man was detained for questioning. In picture, Police Commissioner Randolph Burroughs displays the submachine gun and ammunition seized in the raid.

Threat of Terrorism

Port-of-Spain TRINIDAD GUARDIAN in English 16 May 83 p 8

[Editorial]

[Text]

EVERY peace-loving citizen of this country must have been shocked by the revelations of the Police Commissioner, Mr. Randolph Burroughs, last Friday. Following certain Police operations, he permitted the Press to view the seized cache of arms, ammunition, sophisticated electronic equipment and other stuff.

So serious did we consider the Commissioner's report that we front-page a photograph of him displaying an ugly-looking sub-machine gun a large quantity of ammunition, "an ultra-modern walkie-talkie" plus other disturbing miscellany.

If the Commissioner was seeking to scare us out of our wits, he has succeeded.

CHILLING

Until now we have never associated such lethal firepower with the criminal element in our country. That assumption has now been exploded by the Commissioner's report.

The arms Mr. Burroughs claims to have unearthed at Macoya are designed for mass slaughter and we must begin to wonder whether the owners and would-be users of these weapons are merely criminals.

There is the chilling possibility that at least some of the persons seeking to obtain and use such arms may be incipient guerillas and terrorists.

The smuggling of arms,

ammunition and drugs into our country together with visits by dubious men and women from sources known to be the origin of illicit drugs are forming a pattern that can have another dimension.

News that the Police Commissioner, fresh from his trip abroad, has already consulted with Coast Guard officials is a sign that he is aware of the role such a service must play if we are to come anywhere near deterring, let alone stamping out, what has already begun.

If, as Mr. Burroughs himself hints, this frightening cache of arms indicates any kind of threat to the security of our country, then surely he must also consult with senior officers of the Regiment so that the full potential of our protective services will be properly co-ordinated, alerted and mobilised.

We suppose we should be grateful to the Commissioner for putting the population on the alert, but his responsibility and that of those entrusted with the job of national security goes far beyond this.

For quite some time we have been expressing concern over the inadequate patrolling of our shores which remain quite accessible in remote areas to all kinds of illegal visitors. Reports reaching us about the frequent breakdown of Coast Guard boats and the length of time taken for repairs do not help to ease our anxieties. We do not believe

any expense should be spared in providing the Coast Guard with all equipment and facilities necessary to do their job of protecting our coasts.

In the meanwhile we expect the Police will intensify their campaign against the illegal drug trade which must not be permitted to expand to the point where it is controlled by armed and organised gangs fighting for greater hegemony.

CSO: 3298/634

MANUFACTURERS SUPPORT CARICOM AGREEMENT ON TRADE

Port-of-Spain TRINIDAD GUARDIAN in English 14 May 83 p 1

[Text] THE TRINIDAD and Tobago Manufacturers Association (TTMA) has approved the newly signed Caricom agreement on trade for the region.

In a release dated yesterday, the TTMA said it "endorses the measures outlined in the heads of agreement to be applied to Caricom trade and notes in particular that provision for review after six months has been included in the agreement."

The agreement was signed last Sunday in Barbados by participating Caribbean heads of government and delegations who met in emergency session to settle a trade impasse in the region brought about by the introduction of a two-tiered system of currency exchange by the government of Jamaica.

The Jamaican preference rate had brought retaliations from Barbados which floated its currency against the Jamaican one and from Trinidad and Tobago and other Caricom islands which instituted trade licenced barriers on Caricom goods entering their respective countries.

The TTMA said yesterday that it had noted that a special Caricom rate will apply to all imports of raw materials used by Jamaican manufacturers for exports to Caricom.

It added that this will also apply to export proceeds of Jamaican manufacturers in the Caricom market and to Caricom imports into Jamaica, therefore restoring the competitive position of manufacturers within the region.

Equal Treatment

According to the TTMA, the new level of rate set which is the J\$2.25 to the US\$1 took into account application of the parallel rate to imported content of manufacturing within the region and of equal treatment of the local value added.

The TTMA said that the undertaking that Jamaica will allow imports from Caricom outside of quota, reintroduced preferential treatment of Caricom products over non-Caricom products.

The association also noted that the provision for reciprocity in the issuance of licences sought to ensure that access to all markets of similar goods produced within the region is maintained on the same terms.

"The safeguards proposed by Jamaica are necessary if the proposed system is to work," said the manufacturers association.

These safeguards cover the problems of false labelling, varying interpretations of the process list and lack of co-ordination among certifying authorities, said the association.

According to the TTMA, it accepts the undertaking given by the government of Jamaica to provide for Caricom imports in 1983 at a level not less than in 1982 as a minimum condition only and considers that active steps be taken to improve this level of imports.

CSO: 3298/634

BRIEFS

HUDSON-PHILLIPS IN SENATE--PORT-OF-SPAIN, Trinidad, Wednesday (CANA)--Organisation for National Reconstruction (ONR) leader and former Attorney-General, Karl Hudson-Phillips was sworn in yesterday as a temporary Senator at the request of parliamentary Opposition Leader Basdeo Panday who belongs to a political alliance that does not include the ONR. Mr. Hudson-Phillips has been brought into the Senate to present the case for the National Land Tenants and Ratepayers Association during debate on amendments to the Land Tenants (Security of Tenure) Bill passed in the House of Representatives last Friday. Hudson-Phillips is senior legal adviser of the Land Tenants Association. His party failed to win a seat in the 1981 general election. Mr. Hudson-Phillips' entry into the Senate followed Mr. Panday's announcement that the alliance comprising the United Labour Front, Tapia House and the Democratic Action Congress was trying to work out a deal with the ONR which would stop their fielding candidates for the same seats during soon-to-be-held local government elections. Mr. Hudson-Phillips is expected to stay in the Senate for about a week. The Land Tenants Bill was not on yesterday's Order Paper.
[Bridgetown BARBADOS ADVOCATE in English 12 May 83 p 3]

PORt STANDBY LABOR ENDED--ALL STANDBY labour arrangements on the port that do not fall under the existing industrial agreement between the Port Authority and the Seamen and Waterfront Workers Trade Union (SWWTU) will be abolished from today. It is also proposed to stop the arrangements where workers at the transport section are allowed a day's time-off with pay when they are asked to work when rostered as standby. Further, the procedure of allowing such workers to leave work at 9 a.m. will be discontinued. Standby labour last year cost the Port Authority more than \$8.8 million. Speaking about the decision to end such arrangements, Senator John Eckstein, Minister of Public Utilities, said yesterday he supported entirely the Authority's proposals. "These arrangements are described to me by the Port Authority," he said, "cannot possibly be condoned. They would seriously undermine productivity wherever they are practised. And in the light of the Prime Minister's call for increased productivity, I cannot in all good conscience support this in an area for which I have responsibility." Asked about intended resistance by the union, Senator Eckstein was optimistic that the issue would be amicably resolved. He based this on his experience with the executive of the SWWTU, whom he found to be "a fairly responsible group of men. They are all aware, as we all are, that these are very difficult times," said the Minister. [John Babb] [Excerpts] [Port-of-Spain SUNDAY GUARDIAN in English pp 1, 14]

DEATH OF AIR CHIEF--THE HEAD of the Air Wing of the Trinidad and Tobago Defence Force was killed in a car crash on the Macqueripe Road near the Chaguaramas Youth Camp early yesterday morning. Lieutenant Commander Anthony Critchlow, 40, was returning to his Macqueripe quarters after attending a lodge meeting when it is believed his car skidded and crashed into an electricity pole between 4 and 5 o'clock. It was not until after 6 a.m. that security guards attached to the Chaguaramas Development Authority on mobile patrol saw the wreckage and raised an alarm. Messages were immediately sent to the Trinidad and Tobago Defence Force, Trinidad and Tobago Coast Guard, the Police and the Fire Services resulting in senior personnel from these departments racing to the scene. National Security Minister John Donaldson headed the large party at the scene which included Chief of Defence Staff, Commodore Mervyn Williams; Commanding Officer of the Trinidad and Tobago Coast Guard, Commander Jackie Williams; Lieut.-Commdr. Richard Kelshall and Magistrate Felix Durity, said a Macqueripe resident. The Coast Guard had lost two valuable men within two weeks. On Sunday, May 1, another well-trained officer, Lieut. Edmund Roger Legal, died after a brief illness at the San Fernando General Hospital, he added. Lieut-Commdr. Critchlow would be buried with full military honours. A qualified aeronautical engineer, he joined the Coast Guard ten years ago as a Sub-Lieutenant and quickly rose to the rank of Lieutenant. He became Lieutenant Commander more than two years ago. [Evans K. Greene] [Excerpts] [Port-of-Spain TRINIDAD GUARDIAN in English 16 May 83 p 1]

FOREIGN CURRENCY SEIZURE--THE POLICE "Stop the Bandit" campaign is continuing. Several arrests were made over the weekend. The operation, spearheaded by Police Commissioner Randolph Burroughs, also resulted in the seizure of about \$206,000 in foreign currency in Woodbrook on Saturday night. According to a report from Police Headquarters: "We are definitely concerned about reports in the news media about the bold-faced attitude of the lawless who are bent on making life miserable for almost everybody in this place" Yesterday morning, taxi-driver Geoffrey Mohan, who had his tongue slashed by bandits last week, was brought from his San Fernando General Hospital bed to take part in an identification parade, at the CID Office in Port of Spain. At Woodbrook a police raiding party seized Bolivares worth TT\$197,020 US \$400, EC\$1,107 (TT \$960) and a number of cheques. A Police source said it is believed the money was being used by persons involved in the illegal buying of drugs and goods on the "hot market." [Port-of-Spain TRINIDAD GUARDIAN in English 16 May 83 p 1]

REPORT ON POPULATION--PORT OF SPAIN, Trinidad, Monday, (CANA)--A projection of population growth in Trinidad and Tobago indicates that it will increase from 1 058 000 in 1980 to 1 543 700 in the year 2000, according to a report of the national physical development plan. The plan also projected that the population would be over 70 per cent urban by the turn of the century. "The distribution of population itself", the report stated, "and therefore the disposition and size of settlements is an essential ingredient in the achievement of the primary goal of improving the quality of life." The report said the decrease in the annual birth rate 26.9 per thousand in 1980 from annual rates of 38.0 per thousand during the 1950's and 1960's, could be attributed to the success of the national family planning programme. The fall in the birth rate, it said, could also be attributed to the increase in the number of working mothers and the fact that most migrants in the 1960's and 1970's were women. [Bridgetown BARBADOS ADVOCATE in English 17 May 83 p 3]

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